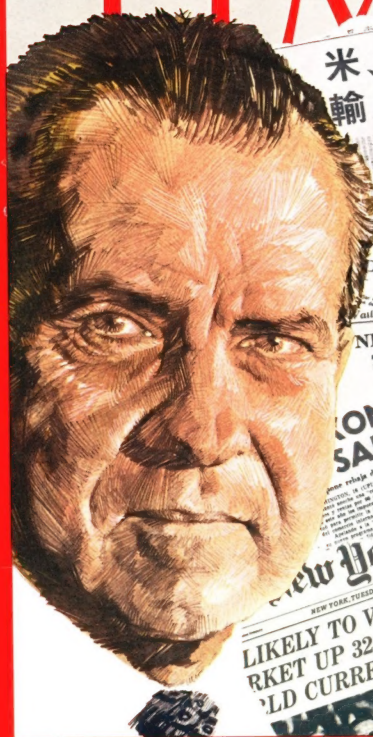


FIFTY CENTS

AUGUST 30, 1971

**Nixon's Economic Gamble**



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**New York**

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Largest Ever





**"I bought a Sony for the bedroom  
so I could watch the ballgame."**

We have a big color set in the living room. But my mother, my three daughters, and my wife watched love movies when my games were on.

How can you argue with five women?

So I bought a Sony for the bedroom. I figured, I'll watch my game, they'll watch their movie, and we'll all be happy. I was wrong.

The picture on my little 12-inch\* Sony is better than the picture on the big console. All that talk about the Sony

Trinitron system? That it's brighter and sharper and so on? It's more than talk. It works.

The women in my family proved it.

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**Trinitron**  
SONY COLOR TV

## Why Bob Pichette uses a Pitney Bowes postage meter for as few as 5 letters a day.



Twelve years ago, Bob Pichette set up his own business in LaSalle, Quebec, as a photographer. Since then, it's become his way of life! He married a photographer, their home became their studio, and as leading photographer in his community, he's on call at all hours. It's even made him something of a philosopher. "Nobody," he says, "nobody is really ugly." And he has pictures to prove it.

To business. About a year ago, some of Bob's mail went out with insufficient postage. Irritated, Bob looked around for a way to prevent this happening again. He decided to get a Pitney Bowes postage scale to make sure his mail would be weighed accurately. And while he was at it, he ordered a postage meter as well.

Bob got the meter simply to ensure having the correct postage on hand at all times—but to his delight, he found he'd got a whole lot more than he bargained for.

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Another useful thing for Bob is the fact that the meter postmarks all postage. If Bob tells a client he will "mail the photographs by Thursday," he has the dated metered stamp to prove that he did.

Bob even feels that, indirectly, his postage meter helps him sell more pictures. For example, if he covers a wedding on Saturday, he can have sample pictures ready by Sunday. And being independent of the Post Office, he can send them out right away so his potential customers get them by Monday—which is so soon after the happy event, that they are in a good mood to buy.

And Bob has one more benefit to come from his meter. Remembering the advice received from one of his teachers "make sure people know you," Bob is busy devising his own little ad. And

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## LETTERS

### Hammer on the Moon

Sir: To see Dave Scott drop the hammer and feather and watch them drift slowly down and touch the moon at the same instant was worth more than all the science classes in the world [Aug. 16]. Of all the people that have ever lived, we saw it first. No doubt Galileo would be pretty proud of himself now! As for "unnecessary voyages," maybe Columbus should have been stopped.

CINDY THEALL  
Newport, N.H.

Sir: It might not be poetry, but it would be very acceptable prose if the crew of Apollo 16 placed a plaque beside the American flag saying DEDICATED TO THE TAXPAYERS OF AMERICA, WHO MADE ALL THESE FLIGHTS POSSIBLE. Then all of us could feel that our names are written on the moon.

HELENE THOMPSON  
Beaumont, Texas

Sir: The tremendous cut in appropriations suffered by NASA at the hands of Congress makes about as much sense to me as Queen Isabella sending Columbus to sea in a rowboat.

DAVE COUNTS  
Bristol, Tenn.

Sir: Why should the general public consent to support space exploration? As soon as there is any profit to be realized from the discoveries, the venture will be turned over to the private sector for exploitation. And as in the case of the communications satellites, you'll have just one more instance of subsidies and socialism for the rich.

RONALD B. ZEH  
Slingerlands, N.Y.

Sir: Your article on the flight of Apollo 15 stated that the moon is .6% as dense as the earth. The true figure is approximately 60%. A moon only .6% as dense as the earth would be like a giant puffball, into which astronauts, TV cameras and all would sink, never to return.

JOSEPH E. CAUDLE  
Arlington, Va.

### The Service with Pride

Sir: When I was a young officer candidate at Quantico, we were taken to see the evening parade at Eighth and I [Aug. 9]. It was an awe-inspiring display of the tradition and discipline for which the Marine Corps is known. Had there been a first sergeant handy with the right papers, we would have signed up to a man for a 20-year hitch.

In this day of relaxation of military discipline, "Z-grams" and the like, it is heartening to know that one service, at least, still has pride.

GEORGE A. BRAKELEY III  
New Canaan, Conn.

### A Lethal Earful

Sir: History has its parallels to your story [Aug. 2] about the young lady who got high when she took a dip in a reflecting pool with her hashish supply stowed in her ear.

Hamlet's father is the most famous case of someone who should have slept with his eyes open or his ears closed.

About half a century ago, a Baltimore pharmacologist performed animal experiments that showed that hebutane, Hamlet's habenon, could be absorbed systematically when administered through the ear.

Incidentally, the Borgias were not to be caught napping. They also made use of the technique.

A.T. KNOPPERS, M.D.  
Summit, N.J.

### Humble Acupuncturist

Sir: When my patients say, "It is miraculous how acupuncture cured me" [Aug. 9], St. Augustine and I (humbly) reply, "There is nothing miraculous—only unknown laws."

In acupuncture some of these laws can be used, explained, substantiated and accepted.

IAN A. URQUHART  
Doctor of Acupuncture  
Tokyo

### Prize Paper

Sir: TIME's report on the Chicago newspaper scene [Aug. 9] said: "In sum, the [Chicago Daily] News is no longer the paper that regularly won Pulitzer Prizes."

This statement will come as a surprise to the Pulitzer jurors who have awarded the Chicago Daily News two Pulitzer Prizes in the past three years. Our last previous Pulitzer was in 1963. Thus in this period the Daily News has won three Pulitzers, a feat equaled by only three other newspapers and exceeded by two. During that same period of time, the Daily News has won four major Sigma

Delta Chi awards, three major Overseas Press Club awards, the Broun award and the Hillman award. All of those who earned those awards for the Daily News are still with us, as are two earlier Pulitzer prizewinners.

DARYLE M. FELDMEIR  
Editor  
Chicago Daily News

### The George and Ed Show

Sir: In pretending to confuse the New York Times and the Washington Post with *Pravda* [Aug. 9], George Jessel has once again exposed his ignorance. Jessel seems to equate the right of questioning the American Government and its military with anti-Americanism. He has a right to voice his opinions. But to dress up and play soldier and to brand and label is unequalled. Edwin Newman handled the situation with tact, and rather than let Mr. Jessel pretend to march, he took away his toy drum.

KATHY HENDRICKSON  
Ann Arbor, Mich.

Sir: Edwin Newman's treatment of George Jessel points up the news media's self-adulation and application of double standards. A business that thrives on criticism of people, that uses stolen materials, and that is selective in its news is ridiculous being offended by a Jessel poking fun or an Agnew making some legitimate criticism.

As for Mr. Newman, I've not only never seen him smile, I've never seen that halo he wears either.

DONALD T. WILFORD  
Morris Plains, N.J.

### America's Past Master

Sir: In your article on the great American chess player Bobby Fischer [Aug. 2], you state in discussing the world championship that "no American has ever won the title." Is it not true that Paul Morphy of New Orleans held the title from 1858 to 1860?

JIM WOOD  
Mobile, Ala.

► Paul Morphy, one of the great chess masters, sailed for Europe after winning the U.S. championship in 1857 at age 20. In a year and a half of playing he won or drew 273 out of 315 games, defeating the greatest European masters. His specialty was blindfold play, always with eight opponents. However, the official world championship title, never yet won by an American, dates from 1866.

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TIME, AUGUST 30, 1971



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John A. Meyers

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AGNEW, CONNALLY & BURNS APPLAUD THE PRESIDENT AT ECONOMIC BRIEFING

## THE ECONOMY

# Nixon's Grand Design for Recovery

FOR the second time in two months, President Richard Nixon reversed his own and his party's policies with a swiftness and style that is virtually unmatched in modern American politics. What he did in foreign policy with his approach to Peking he outdid in domestic affairs last week. Casting aside "the game plan" he has so long and implacably pursued, the President announced "the most comprehensive New Economic Policy to be undertaken by this nation in four decades." The claim was merited. A show of firm leadership was clearly needed in order to get the U.S. industrial machine running smoothly once more.

He indeed laid out the most sweeping changes since the Hundred Days of the New Deal in 1933, when Franklin Roosevelt took the U.S. off the gold standard and began to get the Depression-racked economy into gear. The Nixon program had immediate and dramatic impact at home: on the first day the Dow-Jones average took a record jump on the New York Stock Exchange. But abroad there was consternation. Nixon's measures threatened a serious reversal of the postwar trend toward freer trade. They also ripped the fraying international monetary agreements that have made expanded trade possible. Canada and Japan, America's two largest trading partners, sent anxious emissaries to plead for explanations.

### Declining Confidence

The Tokyo exchange led other overseas markets into a disastrous slide. Foreign exchange markets shut down, helpless in the currency confusion. Europe's finance ministers interrupted their vacations and rushed to Brussels to try to

patch up the international monetary order. Only three months ago, U.S. Treasury Secretary John Connally had stoutly told a Munich bankers' convention that the dollar would not be devalued. Now it almost certainly will be.

Many factors coalesced to force the swift move. Pollster-Analyst Albert Sindinger found early in August that the consumer confidence index had fallen to 55%—lower, he said, than during the 1957 recession. Only 27% of those he interviewed wanted to see Nixon re-elected. Secretary of Commerce Maurice Stans warned that this year the U.S. may be running a trade deficit for the first time since 1893. House Ways and Means Chairman Wilbur Mills was getting ready to hold hearings on his own proposals for the economy. The final blow was a devastating new attack on the long-weakened dollar in the world's money markets.

Nixon imposed direct controls on prices and wages for the first time since the Korean War. Confronted with a situation of inflation-cum-unemployment in which the old textbook remedies were no longer working, he seemed to be committing the Federal Government to an intimate role in major pay and pricing decisions by U.S. business for some time to come. The changes were all the more remarkable for having been agreed to in the course of one short weekend at Camp David.

Politically, it was a particularly satisfying coup for the Republicans, as the President's measures were in several cases neatly lifted from the proposals of his Democratic critics. Not only did he take the Democrats' advice, but he also used as his authority

for a key order legislation that the Democrats had forced upon him (see box, page 8). And the stakes were high. His trip to China is almost certain to bring him political rewards, but come Election Day 1972, mending the nation's pocketbook could pay off at the polls as Peking never would.

### The President's Package

The program the President has ordered, or asked Congress for, separates into eight parts:

- ▶ The U.S. will no longer convert foreign-held dollars into gold; temporarily, at least, the dollar will no longer be the foundation of international monetary dealings, as it has been since 1944.
- ▶ With minor exceptions, all prices, wages, rents and dividends are frozen at present levels for 90 days.
- ▶ A Cabinet-level Cost of Living Council, headed by Treasury Secretary John Connally, will preside over the freeze.
- ▶ Government spending will be reduced by \$4.7 billion. Federal payrolls will be cut 5%; foreign aid will be pared by 10%; and the effective dates of Nixon Administration programs for revenue sharing and welfare reform will be pushed back.
- ▶ The 7% excise tax on automobiles will be repealed retroactive to Aug. 15; that means an average saving of \$200 per car, which should be passed along to the buyer.
- ▶ Industry will get a 10% tax credit on new investment for one year; the credit will thereafter become 5%.
- ▶ A \$50 increase in the federal personal income tax exemption will take effect at the beginning of 1972 instead of a year later; this should release an

extra \$2 billion to consumers next year. ▶ Most imports will be subjected to a 10% surcharge, which in most cases will make U.S. goods more competitive in the domestic market with those from overseas.

Nixon's proposals were designed 1) to stimulate the domestic economy by encouraging industrial investment and consumer spending and making imported goods more expensive, and 2) to blunt the mounting attack on the waning dollar. Said the President: "Every action I have taken tonight is designed to nurture and stimulate [the] competitive spirit, to help us snap out of the self-doubt, the self-disparagement that saps our energy and erodes our confidence in ourselves." Once more, Nixon was handling a crisis, and he seemed to be enjoying it all hugely. Observes TIME Washington Bureau Chief Hugh Sidey: "Nixon clings to what is familiar until the last moment. Then, when the evidence overwhelms him or something happens in his gut, he decides to act, and nothing stands very long in his way. He abandons his philosophy, his promises, his speeches, his friends, his counselors. He marches out of one life into a new world without any apologies or glancing back."

#### Basic Ingredients

What prompted the turnabout? Earlier in the year, Nixon ruled out a tax cut as a means of restarting the economy. Over objections from his Council of Economic Advisers, headed by Paul McCracken, Nixon took the advice of George Shultz, chief of the Office of Management and Budget. Shultz thought that large doses of money from the Federal Reserve, presided over by Nixon's old economic mentor Arthur Burns, would be enough to get things moving. Besides, a tax cut would require a trek up to Capitol Hill, a humiliating concession that all was not well.

The Fed put more money into the economy, but Burns himself knew that

it could do so only temporarily without having an inflationary effect. He went to see shrewd, conservative Wilbur Mills, whose word on economic matters is virtually law in the House. Mills agreed to promote an investment-credit bill, should one be needed. Burns also opened communications with John Connally, the Texas Democrat whom Nixon had just made Secretary of the Treasury.

But Shultz still had Nixon's ear. With Nixon's express approval, he proclaimed in April that no changes were contemplated in the Administration's approach. "Steady as she goes" was the watchword, said Shultz.

At first, Connally went along with the Shultz conclusions; then he started boning up on reports dealing with the nation's economic miseries. Urged on by two deputies—Paul Volcker, an expert in international monetary affairs, and Murray Weidenbaum, a specialist in the domestic economy—Connally soon found himself studying a package of proposals that contained the basic ingredients of the New Economic Policy. Early in July, Connally asked his staff for weekly memos on anything that was on their minds. "I wanted their opinions on where we are," he recalls, "on the President, the Congress, the economy, what should be done, anything." The recommendations he got included wage and price guidelines, freezes, tax cuts. A month ago, Weidenbaum began working out the details of a wage-price freeze; at the same time Volcker stepped up his study of the specifics of cutting the dollar loose from gold. More planning followed, though few of those doing the staff work were told that what they were handling was anything more than a contingency plan. Indeed, a contingency plan was all it was until the last minute, when the President was persuaded that he should act.

On short notice, Nixon summoned his key economic advisers to a climactic weekend gathering at Camp David, his

Catoctin Mountain retreat. Burns and McCracken were there; so were Shultz and his deputy, Caspar Weinberger, and the two Teutons who guard Nixon's gates, H.R. Haldeman and John Ehrlichman. Peter Peterson, a presidential aide for international economic affairs, joined the sessions. Volcker and Speechwriter Bill Safire sneaked across Washington to the Anacostia Naval Air Station, where they boarded a helicopter for Camp David. John Connally, who had no way of knowing that the pressure on the dollar would propel him into prominence so soon, had just gone to his Texas ranch for a vacation. He jetted hastily back, and when the first meeting began Friday afternoon, he sat at Nixon's right.

#### Remembered Weekend

"It was tough," Connally says. "A damn tough re-evaluation and re-analysis." But, says another participant, "We all knew there had to be change." Nixon made it plain from the beginning that the time had come to try a new strategy. When it was all over, when the draft of his Sunday television speech was finished, he gave each man a Camp David jacket, a blue windbreaker that bears the presidential seal. It was, said Nixon, "a weekend that would long be remembered."

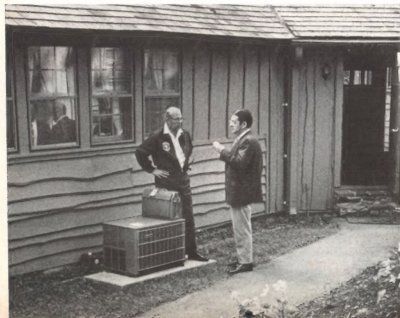
Next day, speaking to a group of second-echelon Administration officials, Nixon was quick to pay tribute to Connally's forcefulness and expertise. "This kind of program doesn't come off the top of a President's head," he said. "It

FRANK ALLEXANDER



SHULTZ ADDRESSING A.F.L.-C.I.O. COUNCIL  
An end to "the game plan."

GEORGE SHULTZ & PETER PETERSON AT CAMP DAVID





LEONARD WOODCOCK



HARRY BRIDGES



GEORGE MEANY

"If they want war, they can have war."

was developed by a great team quarterbacked by Secretary Connally. I was more like the coach. I learned as much from the quarterback as he learned from me." Two days after the President's television broadcast, vacationing congressional leaders, hastily rounded up and flown to Washington in five planes that had been dispatched by Nixon, filed into the White House for a briefing. Nixon nodded in Mills' direction. "We can all take credit for this program," Nixon said. "Wilbur, these are some of your ideas." Mills smiled wanly. The moment of glory was Nixon's, but Mills will have plenty to say about those parts of the program that require congressional assent.

#### Evangelical Fervor

At the briefing, Burns said of Nixon's proposals: "This has electrified the nation." It had obviously electrified Nixon too. Before settling into San Clemente for a rest, he spent the rest of the week barnstorming the U.S. with the fervor of a newly sawdusted evangelist. He had the Knights of Columbus standing on their chairs to applaud him in New York. In Springfield, Ill., Nixon invoked "Lincoln's legacy." America, said the President, needs sacrifice and competition: "We can at this point in our history nobly save, or meanly lose, man's last best hope." Nixon capped his week with a gesture of reconciliation toward the nation most aggrieved by his recent acts. He revealed that he will meet Emperor Hirohito in Anchorage, Alaska, on Sept. 26—the first U.S. visit of a Japanese emperor.

While the President was trumpeting his rhetorical ruffles and flourishes, his dramatic new plan left many Americans confused about just how it will affect them. The confusion began with the Government itself. At first the word was that state and local government employees who had pay raises in the works would be allowed to get them during the freeze; that decision was reversed. Most embarrassing to the Administration, the Pentagon announced that an Oct. 1 pay boost of \$2.4 billion for the armed forces would go through despite the freeze; John Connally ruled that out too—vehemently.

The task of trying to interpret the wage-price freeze fell to the little-known Office of Emergency Preparedness (see box, page 8). The OEP aims to answer all the questions raised by the freeze. But no structure is contemplated that would be remotely similar to that of the Office of Price Administration, which at its peak during World War II included 63,000 paid and over 200,000 volunteer employees. In 1942, one of those OPA employees was a young lawyer named Richard Nixon. He stayed just long enough to build an abiding dislike for the ponderous bureaucratic mechanism. So it was with some feeling that Nixon said in his television address: "While the wage-price freeze will be backed by Government sanctions, if necessary, it will not be accompanied by the establishment of a huge price-control bureaucracy. I am relying on the voluntary cooperation of all Americans."

He is not likely to get it from all Americans. The first strident objections came from labor leaders. The Government's rule is that no wage increase scheduled to take effect during the freeze period may be paid, even if it has already been agreed to in a contract. United Auto Workers President Leonard Woodcock noted that two of his contracts—with Caterpillar and John Deere—call for raises during the three-month freeze. He threatened to sue, and added: "If this Administration thinks that just by issuing an edict they can tear up con-

tracts, they are saying they want war. If they want war, they can have war."

Another loud demurrer came from A.F.L.-C.I.O. President George Meany. Shultz and Labor Secretary James Hodgson explained the Nixon program to the 35-member A.F.L.-C.I.O. executive council, but they might as well have saved their breath. Meany called the wage freeze "patently discriminatory" against labor. Hodgson insisted that the rank-and-file union man would back the Nixon plan and accused Meany of being "out of step" with the average working man. That struck a raw nerve, for the aged Meany, 77, feels his leadership threatened by younger union Turks. He sneered: "I don't pay too much attention to the Secretary. If you have a problem with the landlord, you don't discuss it with the janitor."

#### Open Defiance

The Nixon Administration pleaded with labor leaders to make a voluntary end to existing strikes in order to help the economy pick up at the maximum possible speed. The most devastating strike under way is the West Coast dock stoppage, now eight weeks old, led by Harry Bridges. It is likely to continue. Bridges wired Nixon that the freeze "favors the rich," and he added: "We are with you in your desire to stop inflation in our country, but it is wrong to pick on the workers, who suffer first and the most from inflation."

Other complaints came in from Ralph Nader, who told a congressional committee that he suspected General Motors had been given advance notice of the price freeze, possibly during a recent meeting between Connally and G.M. President James Roche. (G.M. had raised prices on its 1972 models before the freeze went into effect, but agreed to rescind the increases.)

In some political quarters there was open defiance: Democrat Preston Smith, John Connally's successor as Governor of Texas, announced that he had ordered state officials to proceed with scheduled 6.8% pay raises for teachers and other state government workers. There are problems with teacher contracts elsewhere. Most of them take ef-

BURNS, CONNALLY, NIXON, SHULTZ & McCracken at CAMP DAVID





fect at the start of the school year. Nixon took Smith's defiance calmly. "I think Governor Connally can take care of him," Nixon said. The Justice Department intends to ask for an injunction against Smith this week.

Connally may have a somewhat more difficult time taking care of congressional objectors to the President's New Economic Policy. Nixon held the Hill leaders' feet to the fire at their briefing early last week. "The basis of this program is legislation," he said. "If you don't hurry, it will hurt. We've got to do these things and we've got to do them now. Now."

Democrats hastened to spell out their objections. Wages are frozen, but not interest rates; strikes are discouraged, but profits are free to rise; the Adminis-

tration's chief social welfare innovation, the family assistance program, carrying a guaranteed minimum income, has been deferred for a year as part of the price of economic stability. Said a Muskie aide: "You create enough money for millionaires to buy Cadillacs, and you create jobs for chauffeurs." Senator Muskie was more guarded, but he made approximately the same point. Said Muskie: "I don't believe that the best way or the fairest way to stimulate the economy is a series of large tax breaks for industry which far exceed their ability to expand, and which will depend on benefits trickling down to the consumer." Oklahoma's Senator Fred Harris described Nixon's program as "an economic fan dance which attempts to hide the pro-business bias of his proposals."

TIME Washington Correspondent Simmons Fentress summed up: "The Democrats have been embarrassed by this President who opened their closet and stole their shoes. They are by no means boxed in, however, and they are opening up alternate lines of attack."

#### Post-Freeze Problems

Neither the narrower political consequences nor the broader effectiveness of the New Economic Policy will be known for some time. Nixon's store of national good will is not overwhelming, but it should be enough to persuade most Americans to go along for the initial 90-day period, given the near universal dissatisfaction with the way the economy stood. More important, though, is what happens after the freeze expires



CONNALLY



WEBER



LINCOLN



GRAY



STEIN

## Putting on the Freeze

*The task of making the wage-price freeze work—deciding who and what is covered by it, improvising compromises, enforcing the rules—will be one of the most complex of bureaucratic exercises. Who's in running the show for the Administration:*

**TREASURY SECRETARY JOHN CONNALLY**, as head of the Cost of Living Council, has overall authority to wheedle, cajole, crack heads and otherwise employ his considerable political skills in imposing the freeze. He has moved briskly. When the Pentagon announced that certain servicemen's pay raises would go through on schedule, Connally called Deputy Defense Secretary David Packard and said: "You rescind those raises or I will." After Texas Governor Preston Smith declared that his state employees would receive their regular pay increases, Connally signed an order directing the Attorney General to see that Texas complied with the freeze.

A thoroughly practical activist with a lawyer's talent for bending the System to his advantage, Connally, 54, has become one of the strong men of the Nixon Cabinet since he joined it last February. Although a Democrat and former L.B.J. man, Texan Connally is increasingly mentioned as the man who may replace Spiro Agnew on the G.O.P. ticket next year.

**ARNOLD WEBER**, executive director of the Cost of Living Council, is acting as policy and planning coordinator, overseeing

the council's staff of about 40. A wry, 41-year-old labor economist, Weber is a protégé of George Shultz, the Administration's director of the Office of Management and Budget; he worked for Shultz as Assistant Secretary of Labor for Manpower. Weber had already packed his family off and was preparing to return to his University of Chicago teaching post when he was tapped for the council job. "We froze my leave of absence," Weber says.

**GEORGE LINCOLN**, 64, a retired Army brigadier general, will disseminate the policy guidelines framed by the Cost of Living Council. He will also monitor the questions and complaints that flow in, administer the information and investigative network, which now includes the Internal Revenue Service and the Department of Agriculture as well as the Office of Emergency Preparedness.

White-haired and scholarly, Lincoln spent 15 years as a professor and head of the social sciences department at West Point before becoming director of the OEP in the Nixon Administration's first year. His work at OEP, notably in the wake of Hurricane Camille two years ago, gained him a reputation as an able administrator. But as director of the President's Oil Policy Committee, he has been criticized by some as too sympathetic to the oil industry.

**LOUIS PATRICK GRAY III**, 55, Assistant Attorney General in charge of the Civil Division, will be responsible for enforcing the council's policies. Under Gray, Jus-

tice Department attorneys, one assigned to each of the OEP's ten regional offices, will ask for the injunctions and fines required by the law and Nixon's executive order. They will concentrate on cases involving substantial violations.

An Annapolis graduate and onetime submarine commander, Gray is preeminently a Nixon man, an old friend who has known the President since they met at a Washington party in 1947. Since he left the Navy in 1960, he has alternated between practicing law in New London, Conn., and working for Nixon. Skilled at negotiation, he is so self-confident that this week he is going ahead with a planned vacation in Connecticut, where he will give his house a coat of price-frozen paint.

**HERBERT STEIN**, 55, an owlish and acerbic economic theoretician, is a member of the President's Council of Economic Advisers. He is now responsible for planning Phase 2 of the Nixon strategy: what comes after the 90-day freeze. Known for an intellectual agility that some dismiss as sophistry, he will need to be nimble in the task; for several years he has been a determined spokesman against the sort of policy Nixon finally adopted.

Before joining the Council of Economic Advisers, Stein was chief economist for the Committee for Economic Development, an organization of business leaders. He is the author of *The Fiscal Revolution in America*, an elegantly written study that reflects among other things a distaste for economists who confuse rhetoric with action. In his present job he will need both.



EXPLAINING OPA PRICES DURING WORLD WAR II

## The Law Nixon Used

WHEN he announced the wage-price freeze, President Nixon based his action on the Economic Stabilization Act of 1970. The law gives stand-by powers to the President to "issue such orders as he may deem appropriate to stabilize prices, rents, wages and salaries." The irony is that Nixon vigorously opposed the bill when it was debated in Congress and said he would not use it.

It was passed as part of the continuing cat-and-mouse game between Congress and the President. In August 1970 inflation was climbing and job rolls were shrinking. Anxious about the economy, Wright Patman, the aged and wily chairman of the House Banking and Currency Committee, decided to put the President on the spot. He maneuvered to attach the Economic Stabilization Act with its wage and price controls as an amendment to a bill extending the life of the Defense Production Act, which was about to expire. The provision was approved by both Democratic-controlled houses of Congress.

Nixon was forced to sign the bill because it provides for the procurement of basic resources needed for national defense. But he was quick to express his disapproval of the move. If Congress believes that controls are needed, he said, it should "face up to its own responsibilities and make such controls mandatory." Congress preferred to let Nixon take the responsibility. In March it voted to extend the Economic Stabilization Act, and Nixon once more protested, although this time the Administration softened its position somewhat; it was growing less confident about its own economic policies. Treasury Secretary Connally told the Patman committee that the White House would "accept" the bill rather than fight it. And last week Nixon enthusiastically assumed the powers that he had once brusquely turned down.

—and that is a problem that the Administration is already worrying about.

The immediate post-freeze period is already known around the White House as "Phase 2." It is of vital importance. For if controls are suddenly lifted, without any transitional mechanism or any ongoing wage-price review board to hold increases firmly within acceptable limits, there would be no point to the freeze in the first place. All the gains would evaporate at once; prices would rise sharply to make up for the hold-down, and wages would jump to keep pace. The federal official charged with special responsibility for Phase 2 is Herbert Stein of the Council of Economic Advisers, an outspoken economist who was a vigorous opponent of wage-price regulation only a few months ago.

### Elusive Mood

When the freeze expires in mid-November, how will anyone know whether or not it has been a success? Phase 2 will be the real test, but at the end of the first 90 days there will be several useful points at which to apply the economic litmus. Part of the test will be psychological: there will have to be a popular consensus that the program is working, some feeling that things look better. Even before then, there will have to have been serious negotiations between labor, management and Government to get Phase 2 under way. If Phase 1 has been a success, wages, of course, will be steady; so should the cost of living, particularly since automobile prices will remain level or even decrease. If there is a resurgence in consumer confidence, the high rate of savings should have come down and retail sales should have picked up well before the freeze expires. If labor costs are stable, as they should be, even a modest increase in productivity will mean higher profits for manufacturers. That, in turn, means a net gain in real income across the U.S. For whom? If prices are frozen beyond the end of Phase 1 and wages are allowed to rise moderately—say, by 4%—that would distribute the net gain fairly widely. At best, there will be a good start toward building a new international monetary

## Taking Out

ORDINARILY, the 325-man Office of Emergency Preparedness deals with damage done by such natural disasters as hurricanes and earthquakes. Last week OEP suddenly found itself handling the results of a man-made storm for which it was decidedly unprepared. Without warning, President Nixon plucked the tiny agency out of the anonymity of the U.S. Government Organization Manual to supervise the wage-price freeze.

The OEP director, Brigadier General George Lincoln, was on his ranch near Denver when he got the White House call to action. He phoned his eight regional directors and sent them scurrying. "Get a bunch of borrowed people," he advised. "We don't want to pay them." The morning after the President's announcement, Lincoln's men set up improvised regional offices in ten major cities. In the Midwest, the branch moved from Battle Creek, Mich., to Chicago. In Georgia, OEP-ers transferred from Thomasville to Atlanta, where they found room in an insurance office sandwiched between two topless restaurants, one of them called The Booby Hatch. They were scarcely settled before the telephones started ringing.

Nixon's mandate was a tall order for one of the smallest agencies in the federal establishment. Set up in 1961, OEP's primary duty is preparing for civilian defense in case of nuclear attack. It has been given the additional jobs of stockpiling strategic materials and coordinating disaster relief.

Some 35 economists specializing in stabilization under emergency conditions serve on OEP's staff, and their training was recognized as an invaluable asset for the current task. So, too, was the agency's reputation for moving quickly into a disaster area and getting out just as fast when a job was done. That sort of experience doubtless appealed to President Nixon, who at the moment has little intention of setting up a bureaucracy on the scale of the OPA, or even the Korean War wage-price control boards.

For all its practice in emergencies, though, OEP quickly showed the strain of its first days on the new job. Manpower

structure, and the U.S. will avoid touching off a protectionist trade war.

Administration experts have already started speculating about the shape of Phase 2. There will be neither a return to the pre-freeze status quo nor permanent imposition of a thoroughgoing control system. Instead, the President is likely to pick one or more intermediate devices within the first 60 days of the freeze period, thus leaving the final 30 days for setting up whatever administrative machinery is required. He will probably make use of wage-price re-

## The Chill

was urgently needed, and was borrowed haphazardly from other Government agencies. Highly paid federal economists, HUD officials and even agriculture experts found themselves answering phones in regional offices. Nevertheless, OEP could not cope with the flood of queries. In the Washington headquarters a block from the White House, confusion was compounded as cameramen tangled lines with telephone installers.

Even when they had time to answer the phones, OEP staffers often could not answer the questions. They had to wait for the Cost of Living Council to provide guidelines for a wide variety of puzzlers. Chrysler Corp., for example, asked if the import surcharge applied to tax-free automobiles that were supplied to the diplomatic community. (Answer: maybe.) Many people wanted to know how to distinguish between raw foods, which are not subject to price control, and processed foods, which are. In some cases, that was easy to answer. Whatever is totally unprocessed—eggs, oranges, fresh fish—escapes control. Most meats are processed and therefore subject to the freeze. Still, the status of many foods remained in doubt. Does shelling almonds amount to processing? one caller wanted to know. Again the answer was maybe. Government Economist Sidney L. Jones offered a tongue-in-cheek rule of thumb for baffled consumers: "Anything that snaps, crunches, bites or quivers when you eat it is not frozen."

Uncertain how to handle reports of freeze violations, OEP simply recorded them and filed them away. Later, the Justice Department will decide whether to prosecute. The first complaint to Washington came from an irate consumer who was asked to pay \$2.80 for a carton of cigarettes that had cost him only \$2.60 the week before. Next came a call from a boarder who said that his landlord told him either to pay more rent or eat one less meal a day. By and large, the complaints were low-keyed and did not involve extravagant sums of money.

When they could not provide answers, OEP staffers tried at least to be reassuring. After all, everyone was in the same boat. In Chicago, Michael San-

ders, an attorney in the Agriculture Department, commiserated with a man who complained about not getting his raise. "I know," said Sanders. "I had an increase coming. This freeze has thrown a monkey wrench into the whole thing." Helen Balch, an appraiser on loan from HUD, discussed with a caller whether to put off a trip to Europe.

Eventually, guidelines began to take shape. Prices and wages are frozen at their highest level during the 30 days ending Aug. 14; imported goods are excepted. Included are most wholesale and retail goods; rents; bus, air and train fares; doctor, dentist and lawyer fees; telephone, electricity and gas costs; commission and insurance rates. Exempt from control are previously announced school tuition rates, even though they have not yet become effective, and state and local taxes.

No raises or cost of living increases will be allowed except in cases of promotions to jobs with more responsibility. Thus those railroad workers of the United Transportation Union who had not yet ratified an agreement reached on their behalf on Aug. 2 will not get their raises until Nov. 12 at the ear-

liest. In California, employees of General Telephone Co. had reached a tentative agreement giving them about the same pay raise granted to employees of the Bell System. The Bell workers ratified their agreements the day before the freeze took effect; the General Telephone employees, on the other hand, delayed. "So General workers are doing the same work that Bell workers are doing will get lower wage rates during the freeze," noted a communications union spokesman. "We're sorry, but that's it."

At the end of the week OEP remained swamped by far more work than it could handle. Other agencies were recruited to come to the rescue. In some 200 cities, Taxpayer Assistance offices of the Internal Revenue Service began to take over some of the inquiries that were flooding into OEP. The Agriculture Department's Stabilization and Conservation Service started fielding questions in rural areas. All together, some 1,500 federal employees are now feeding out information and relaying it back to Washington in a unique operation of improvisation.



MANNING PHONES IN OEP'S REGIONAL OFFICE IN CHICAGO

view boards for various industries, selective controls for others, economic sanctions through withholding or awarding Government buying contracts, and just plain jawboning. Quite possibly the freeze could be extended for a time beyond the end of the 90-day period, then lifted industry by industry as continuing arrangements are worked out.

If, in the end, the New Economic Policy is a failure, then John Connally's brightening star will surely fade. Shultz could re-emerge with new political clout, and Spiro Agnew—who was consulted

in the New Economic Policy deliberations, as he never was about the overtures to Peking—would find himself no longer threatened by Connally for the vice-presidential nomination in 1972. In that case, however, even the Republican presidential nomination would be worth very little, for Nixon's best chance to get the U.S. economy under control would have failed.

In the dismal and difficult science of economics, one of the most important factors is the elusive matter of the public mood. Already there is an indi-

cation that Nixon's program is what Americans think they want. Pollster Sindlinger's consumer confidence index had climbed back to 64% by the middle of last week. Now 40% of Sindlinger's sample want Nixon re-elected. The White House men are guardedly optimistic. Says one: "Economics isn't chemistry. You can take any theory you've got. If people think it's going to work, it will work. If they don't, it won't." If it does work, Nixon's program will pay off politically for him, and economically for most Americans.



AMERICANS STRANDED IN LONDON PEDDLING A GUITAR



LOOKING FOR LATEST EXCHANGE RATES IN LONDON

## Exploring the New Economic World

Patrick Trainer, aged ten, thought that it was time for an increase in his weekly allowance of \$1. But when he finally got up enough courage to ask for \$1.50 last week, his father Thomas, a suburban Philadelphia photographer, pointed out that under President Nixon's new program all wages were frozen—even allowances. Dissatisfied with the answer, young Patrick wrote to a local newspaper, which carried his problem to the men at the Office of Emergency Preparedness. Their ruling: allowances can be raised "only if the receiver's productivity or responsibility increases." Patrick promptly offered to start washing the family car in addition to performing his other chores, which include feeding four cats and two gerbils. He won his increase.

**S**UDDENLY, the state of the U.S. economy loomed directly over the lives of almost every American. Wage earner and corporate chieftain, small shareholder and Wall Street operator, vacationer abroad and ordinary consumer at home—each faced a radically altered set of rules as a result of President Nixon's brief, stunning television speech. Millions of Americans, contemplating restrictions on their business and financial lives unprecedented in the nation's peacetime history, spent the week in an uncertain—but vaguely hopeful—examination of a new economic world.

Few found firm answers as readily as Patrick Trainer. The long-range economic effects of the President's program, like the political ones, were still largely incalculable. The great majority of business leaders applauded the plan, convinced that it would create general economic momentum and thus benefit everyone. The *Argus Weekly Staff Report*, an investment newsletter with a good forecasting record, predicted that general business activity would "accelerate sharply" over the next year. Still, few businessmen had a chance to assess completely the program's impact on their own operations. An executive

of Lockheed spoke bluntly for many other firms. Just before learning that the British-made Rolls-Royce engines for Lockheed's L-1011 jetliner will be subjected to the 10% import tax he exploded: "The whole goddam nation is confused over the plan, and we how to no one in our confusion."

Nevertheless, businessmen and economists lost no time in exploring their new world. In it, Nixon hoped to perform three monumental tasks:

1) **HALT INFLATION.** By freezing wages and prices at their current levels for at least 90 days, Nixon declared full-scale war on the economic trouble that disturbs more Americans than any other: the unrelenting increase in the cost of living and the cost of doing business. Nixon's critics have long urged him to attack the problem with less severe measures, either by establishing wage-price guidelines similar to those imposed by

President Kennedy or by engaging in L.B.J.-style jawboning with business and labor chiefs. Instead, Nixon decided to start out tough. One benefit of this policy will be that when the President finally feels prepared to ease the freeze, guidelines and jawboning will seem a welcome relief. Says Ted Eck, chief economist for Standard Oil: "The freeze is sort of like putting people in jail so they can see how it feels."

They are almost certainly going to have the experience of a closely supervised parole as well. Even if the President does not extend the 90-day period of total shock, and practically everyone feels that an extension is likely, the forces of inflation will take much longer than that to become really quiescent. In an interview with TIME Correspondent Lawrence Malkin, Secretary of the Treasury John Connally revealed that one of the first jobs of his Cost of Living Council would be to draft a post-freeze wage-price plan, known among its planners as "Phase 2." Said Con-

## Assessing the New Program

**T**HERE is a little joke going around in economic circles that at the time Henry Kissinger secretly went to China, Democratic Economist Arthur Okun was slipped into the White House by the back door and in disguise. His mission: to talk President Nixon into changing policy on inflation, jobs and the dollar. Indeed, the President's new package contains many ideas long advocated by Okun and the eight other members of TIME's Board of Economists. The board cheers Nixon's new activism. "It's a triumph in common sense," says Otto Eckstein. Walter Heller agrees: "It's a historic initiative. The economic world will never be quite the same again."

Still, if the board members were grading the specifics of the President's program, the report card would be mixed. They would generally give him an A-plus for reviving the nation's confidence, an A-minus for tackling in-

flation, a C on his plans for reviving the economy and creating jobs, an A for devaluing the dollar, and a B for clamping the surcharge on imports. A sampling of the board's comments:

**WAGE-PRICE FREEZE.** "It's a dramatic change of direction," says Arthur Okun, "and we have bought time. But I'm sorry that it was so late. I can't see any President ever again staying completely out of wage and price decisions." Adds Walter Heller: "Now that the initial euphoria is wearing off, the country is rightfully saying, 'That was great for openers, but where do we go from here?' After the 90-day freeze, do we slide into a straitjacket of mandatory controls, or do we use this time to develop a set of noninflationary ground rules and a wage-price review board to monitor them?" Echoes Robert Nathan: "If the Administration's leaders are tough enough, we'll get a





ADVERTISING USED WHEELS

nally: "We will analyze what structure is necessary so that we don't rekindle inflation." One part of the plan, already decreed by the council, is a ban on retroactive wage increases after the freeze period ends, thus barring labor from collecting lump-sum payments for increases negotiated during the 90 days. Whatever Connally's full program, it will commit the White House to a long-term incomes policy, something that the President has sought to avoid for 2½ years.

Such a policy may well be necessary medicine for a nation in which, as Federal Reserve Board Chairman Arthur Burns says, "the rules of economics are not working quite the way they used to." Even so, its administration could become an enormous and cumbersome job. For the time being, Nixon and Connally plan to rely primarily on the force of public opinion, confident that, as the Treasury Secretary says, it will bring down "the wrath of the American people" on violators. But such intensity of feeling is unlikely to last for long, es-

pecially in peacetime. In the later stages of Britain's six-year experience with wage-price controls under Harold Wilson, infractions were common, even though a review board had power to delay announced increases.

The President's other fiscal move was to cut some federal spending primarily to please key conservatives like Wilbur Mills. In themselves, none of the deferred programs or expenses were inflationary. But they might have had to be financed through an excessive expansion of the money supply, which decidedly is. According to Economist Alan Greenspan, the federal deficit for the current year—before the President acted—would have reached a "horrendously inflationary" \$25 billion.

#### 2) CREATE JOBS AND LIFT THE ECONOMY.

Both consumers and businessmen stand to benefit from this goal, though the latter more broadly. If Congress passes the necessary legislation, the 39-year-old excise tax on new cars will be abolished, reducing the price of most models from \$150 to \$200, and taxpayers will receive a \$100 increase in their standard deduction beginning in 1972. Instead of the \$50 increase previously scheduled. The major booster would be a far-reaching tax incentive for capital spending, enabling any company that invested in domestically produced equipment or plants to subtract 10% of the cost from the bottom line of its tax bill during the next year, and 5% thereafter. Individuals stand to collect the same benefit; for example, freelance writers would be able to subtract directly from their taxes part of the costs of new typewriters and desks; doctors could write off new diagnostic equipment and self-employed photographers could deduct new cameras. A similar incentive, pushed by Economist Walter Heller and enacted by the Kennedy Ad-

ministration in 1962, helped kick off the longest period of economic expansion in the nation's history. It was discontinued in 1969 to slow down the racing economy that resulted from the Viet Nam buildup.

All together, by the estimate of former Budget Director Charles Schultz, the President's tax package will pump \$5 billion to \$6 billion into private spending during the current fiscal year, which ends June 30, 1972. The Administration hopes that these funds will quickly create jobs for many of the 5.8% of the work force presently unemployed—one of Nixon's major political deficits. To show what could happen in a single industry, White House spokesmen pointed out that an increase of 100,000 orders for new cars would provide some 25,000 additional jobs.

Before such marvels can occur, however, the nation must undergo the subtle but central change in psychology that so far has eluded it during an increasingly frustrating recovery period: a turn-around in consumer and business confidence. "Confidence is catching," says Ford Vice President John Naughton, and the President is clearly hoping for a happy epidemic. Pollster Albert E. Sindinger reported that consumer confidence zoomed in the week after Nixon's speech. After polling some 1,100 homes, Sindinger workers reported that 64% of those asked were satisfied with their job and income prospects, compared with 55% of respondents two days before the President's speech. If that optimism is transformed even partly into buying action, the result would be a windfall of billions for retailers. U.S. families are saving an unprecedented rate of 8.4% of their incomes, and have salted away more than \$30 billion just this year.

Businessmen may also feel confident

good incomes policy and a wage-price board. But I don't know if they've got guts enough to do that, and do it so that labor doesn't bear the brunt." Says David Grove: "Nobody believes that the 90-day freeze won't be extended in some way, probably by setting up a policing review board. That's the minimum Government apparatus that is needed." In dissent, Beryl Sprinkel says: "A wage-price review board won't work. There are too many devices to thwart it."

**TAX CUTS.** David Grove figures that "the fiscal stimulus is very small and will have little effect on the economy." Joseph Pechman believes "there is not enough immediate stimulation of demand." He argues that the cuts, which become effective Jan. 1, should be instituted right now, and that the increases in Social Security levies should be postponed until 1973. Walter Heller contends that it was wrong "to feed corporations with the economic raw meat of a \$5 billion investment tax credit on top of the \$4 billion depreciation give-

away, and at the same time toss the consumer the small bone of a \$2.5 billion speedup in income tax reductions." Robert Nathan calls the tax cuts an "absolute fraud." Their stimulative effects, he believes, will not even take place during the freeze period.

**GOVERNMENT SPENDING CUTS.** Alan Greenspan argues that "the \$4.7 billion reduction in this fiscal year's budget and the one-year delay in the welfare bill are the most important moves in the longer run. If we do not reduce our huge deficits, we will have grave difficulties controlling inflation." To that contention David Grove adds: "Instead of the cuts, I would have preferred more fiscal stimulation. The reductions were mainly a political maneuver, to show that everybody has to sacrifice. President Nixon was saying, 'See, we are making cuts, too.'"

**IMPORT SURCHARGE.** Otto Eckstein predicts that "the import surcharge will encourage a worldwide revaluation of currencies, particularly by Japan and the

Common Market. Now the U.S. can really become competitive in trade, and it is the efficient companies—here and abroad—that will win." On the other hand, Robert Triffin issues a warning that: "There is a real danger that a trade war will break out. The Common Market has a deficit in trade with the U.S., and the import surcharge can only deepen it."

**FLOATING THE DOLLAR.** Though Alan Greenspan believes that "the only viable option was to let the dollar float," he warns that if it is left unpegged for too long "trade could be stifled." Joseph Pechman says: "Strengthening the dollar is a move that is long overdue." As David Grove summarizes: "The dollar has been overvalued for some years, but no one wanted to recognize that. Now the Administration wants the dollar 'devalued' enough to get a strong balance of payments position. That could come very quickly and be a big and dramatic improvement."



"Come on... now you can do it..."

enough to spend much more. After Nixon's speech, a top economist at Chase Manhattan Bank revised estimates for capital spending upward by a minimum of 20%, and leaders of many large corporations ordered complete budget reviews. Said Paul Orefice, financial vice president of Dow Chemical: "Our budget for new plants over the next year could go up from its present level of \$150 million to as much as \$200 million." One major complaint was the one-year time limit on the maximum 10% credit. The incentive would have almost no effect during the 90-day freeze. Pointing out that most capital investments take 18 to 24 months to complete, Harold Williams, dean of U.C.I.A.'s business school, argued that a permanent credit of 7½% would provide more stimulation in the long run.

**3) DEVALUE THE DOLLAR.** By abrogating the 22-year-old U.S. pledge to exchange dollars for gold, the President set off a chain of events that will almost certainly lead to worldwide monetary reform (see story, page 14). He chose to do so in the most palatable way possible for himself—by forcing other nations to revalue their currency upward against the dollar rather than by declaring a lower value for U.S. currency. By making the dollar worth less abroad, he automatically turned U.S. goods sold there into a better buy—and thus increased the nation's sagging export potential. At the same time, investment in foreign businesses will become less attractive to U.S. corporations, stemming the outflow of capital that helped fuel speculation against the dollar abroad.

To make his ultimatum for foreign revaluation even clearer, Nixon also slapped the 10% surtax on imports to the U.S. The draftsmen of the President's program candidly admitted that the tax is a bargaining chip to be used in winning revaluation of strong currencies against the dollar to the full extent the U.S. deems necessary (around

12%). The tax is also designed to obtain some other concessions, including bigger subsidies from U.S. allies for the maintenance of G.I.s in NATO countries and the removal of import quotas and other nontariff barriers that hurt sales of U.S. goods abroad.

#### Detroit Proving Ground

What does the program mean for U.S. business? There may well be important gains for many firms, especially in the auto industry. The President almost set up Detroit as the proving ground for his plan. The excise-tax cut will undoubtedly boost demand for new cars, and the import surtax (or the currency revaluations that it is designed to bring about) will make U.S. automakers' lowest-priced models competitive with Volkswagen and other big-selling imports for the first time in a decade. In Detroit, Ford President Lee Iacocca beamed: "This makes Nixon's trip to China look like child's play."

Ironically, the momentary result of Nixon's announcement was to fire up foreign-car sales. Customers poured into the showrooms of Toyota, Volkswagen and other import dealers, quickly buying models that would soon become relatively more expensive. "People were still shopping at 11 o'clock at night," said suburban St. Louis Datsun Dealer Ed DeBrecht. Dealers of U.S. cars, on the other hand, were left wondering how to get rid of a huge inventory of 1,900,000 '71 model cars. With prices on the '72 models expected to be almost identical (less excise), the soon-to-be-outdated '71s went begging. They will probably be sold at greater-than-usual discounts.

The dilemma was typical of "special" problems created in almost every industry when the President fired his economic stop-action gun. Fuel-oil dealers were fearful that they might have to continue selling at summer discount rates until Nov. 12, when the 90-day emergency period will be over. Lumber-com-

pany officials wondered how timber could be sold at auction when bidders presumably could not offer more than the maximum price gavelled down over the past month. Boston landlords complained that new taxes, which became effective before Aug. 15, could not be reflected in their rent payments until three months later.

Automakers face another problem that is increasingly common in U.S. industry: domestic cars contain a variety of parts produced abroad. Ford officials announced that the price of its '72 Pinto, Capri and Pantera models will be hiked to reflect the surtax on such imported parts as engines and transmissions. But on domestically produced cars, the big three rolled back scheduled increases averaging about 5% on their entire '72 line. The lower prices will hit hardest at financially troubled Chrysler (1970 losses: \$7,600,000). Generally, Ford and G.M. officials are hoping to make up for the freeze with rapidly increasing volume. Says Ford's Iacocca: "1972 cars at 1971 prices will be a helluva buy."

Since one out of every six U.S. jobs is directly or indirectly linked to the auto industry, its triumphs could pass along many benefits. Among the principal recipients will be Pittsburgh's steelmen, Akron's rubber firms and U.S. producers of copper, glass and leather. The investment tax credit will probably benefit the construction-steel and excavation-equipment industries to a lesser degree than the computer and machine-tool industries. Reason: with industrial production running at a sluggish 73% of capacity as a result of the recession, corporate planners will be much more likely to use the tax credit to modernize existing plants than to build new ones. As businessmen start to borrow money to finance these projects, banks and other lending institutions will feel a sharper demand. Many bankers, including those at Chase Manhattan and Bank of America, all but pledged not to raise interest rates during the freeze period, even though the price of money is not regulated in the President's freeze.

#### Cheese Stockpile

In other businesses, there will be severe shock waves. Several members of the Organization of Petroleum Exporting Countries (OPEC) threatened to raise the price of oil by the amount of the eventual dollar devaluation, which could result in much higher tags on gasoline and fuel oil. The airlines, international hotel companies and travel agents stand to be hurt by the higher costs of traveling abroad, which vacationers are already beginning to hear (see page 13). International air fares will not immediately go up as a consequence of dollar devaluation. The 108-member International Air Transport Association must unanimously approve any changes in the basic fare structure, and the members will not be able to agree on any

increases for at least several months.

The surcharge will make Japanese cameras, Swiss watches, Italian shoes, German beer and French wines more expensive. But nobody knows by how much—or how soon. For some imports there is still a few months' supply left—surcharge-exempt—in Stateside stores and warehouses. Even for perishable items like cheese, stockpiles vary immensely: ten days' supply for French Brie, two months' for Swiss Gruyère. Foreign producers are delaying their decisions on price increases until the new value of the dollar is established. In any case, the extra cost to U.S. consumers will rarely be as much as 10%. The surcharge is imposed on wholesale prices, which are seldom more than half of retail prices. Moreover, many importers and foreign manufacturers will be willing to swallow part of the surcharge to keep their products competitive. For example, Manhattan importers of Scotch whisky forecast that shelf prices would go up about 10¢ per fifth.

#### Faith in Facts

On the other hand, the tax on imported goods will almost certainly raise the cost of living for many consumers, especially those who can least afford it: the poor, who buy imported clothing and shoes because they are cheap. Says Ralph Nader: "Imports are the only real competition left for many American firms." It is the low-income American, too, who will lose most in the deferral of welfare reforms and revenue sharing. Although many Americans have finally accepted the fact that the nation's "peace dividend" would be far less than once believed, few are likely to feel comfortable with the prospect of a social austerity program, even in times of economic turmoil. Says U.C.L.A.'s Dean Williams: "We should not delay for any reason pushing for basic reforms needed in our system."

There is little chance for any reform without a prosperous U.S. economy. Richard Nixon, a man who instinctively favors the traditional, long believed that the nation would find that prosperity and stability where it normally has in the past: the marketplaces of classic *lais-*

*sez-faire* economics. On the other hand, John Connally, the chief of Nixon's new economic world, puts his faith in facts. Says Connally: "Look, unemployment in California is high and yet it doesn't affect wage rates there." Gradually, pragmatism convinced traditionalist that, in Connally's words, "serious structural problems" had interfered with the marketplace, that huge corporations and unions were able to operate outside it by setting their own prices and wages almost with impunity. Thus in deciding to intervene last week on a massive scale against those structural problems, the President in many ways began the most basic reform of all: a change in the nation's very means of livelihood.

#### Stimulative Package

Assuming that the majority of Americans follow through on their early enthusiasm for Nixon's new program, the U.S. economy should come out of its 90-day wonderland in better shape than when it started. An increase in consumer buying will likely raise corporate profits. But that rise should not result in any substantial increase in wages, which are not only frozen but are relatively easy to control. Prices, on the other hand, have in the past been slightly more volatile. Still, no major upward march should occur in the freeze period.

Economists have far more serious doubts about the really stimulative parts of Nixon's package, particularly the substitution of business spending for public spending. As Economist Walter Heller notes, businessmen operating at far less than capacity and frequently at low profit are in a much less advantageous position to spend than are the nation's savings-flushed consumers. Moreover, the President may well have trouble persuading Congress to avoid allocating the funds from his budget cuts to other projects—and thus re-extend the danger of high deficit spending. On balance, however, the plan has a good chance of success, if only because, as Economist David Grove says, the President has finally told an apprehensive nation: "Yes, folks, the Government will do something."

## Tourists: Passing the Buck

IN Paris last week a beggar on the steps of Sacré-Coeur displayed a hastily scribbled sign: "Dollars are no longer accepted." In Kampala, Uganda, where the dollar used to bring 10 shillings on the black market, safariing Americans were lucky to get five. And in Zurich, hardhearted whores gave only three Swiss francs to the dollar, instead of the official 4.08.

Itinerant buck passers, including some 4,000,000 Americans living and vacationing abroad, faced a confusing array of exchange rates. Early in the week, the London Hilton was gouging its guests \$2.75 for the pound, while the American Express office in that city was gamely taking traveler's checks at the official rate of \$2.42. A few rapacious handladies at London bed-and-breakfast lodgings were squeezing \$3 to the pound out of gullible visitors. Tourists did not know what their dollars would be worth the next minute, or in the next country. From Canada to Japan, some merchants refused to take U.S. dollars at any price.

**Flea Market.** Vacationing Americans were shocked to find their money dishonored by bank tellers, bellboys and waiters. "I realize it is irrational," said an American matron in Rome, "but I feel this as an intensely personal thing. It's like having my passport stolen." When a California man was told at the exchange window of Rome's Fiumicino Airport that the dollar had collapsed, he did likewise and had to be taken to a hospital. Makeshift flea markets sprang up in London and Paris, where young Americans were selling guitars, cameras, tents, radios, motorcycles and even their return plane tickets.

Unlike the tourists, most Americans who work abroad are paid in local currencies, and will not be damaged by the dollar's dip. But a few dollar-salaried executives of U.S.-owned firms in foreign countries stand to lose in direct proportion to any devaluation. Some companies, however, may try to hoist salaries back to the good-old levels. No relief is expected for retired Americans living abroad, some 50,000 in Italy alone, who get by on fixed pensions and Social Security payments.

Some Europeans tried to help out. Restaurants in Rome offered an improvised menu for Americans unable to buy lire: a fat sandwich and a Coke for \$1. When the unofficial rate for Swiss francs sank to 3.25 per dollar, one hotel manager in Montreux took his guests' home addresses and promised to send them refunds if and when the rate is fixed at a higher level. And the Palm Beach Casino at Cannes continued to accept dollars at the official rate of 5.4 French francs. "Why should we create a security margin for ourselves?" asked Jean Toutain, the casino's director. "Taking risks is our profession."

VOLKSWAGENS ON CALIFORNIA DOCK





PANDEMONIUM ON THE TOKYO STOCK EXCHANGE LAST WEEK

## The Dollar: A Power Play Unfolds

**D**URING the last quarter-century of worldwide turbulence, businessmen, traders and travelers have come to rely on a seemingly immutable fact of life. The U.S. dollar has remained the one major currency with an unquestioned and stable international value. Last week all that changed—perhaps forever.

With shocking swiftness, President Nixon's dollar defense measures knocked the pins out from under the non-Communist world's monetary system. Foreign government leaders, many of whom were on vacation, went scrambling to salvage some order out of the enveloping chaos. Canadian Prime Minister Pierre Trudeau broke off a holiday cruise off Yugoslavia and returned to Ottawa to assess the impact of the Nixon moves. On the French Riviera, French Prime Minister Georges Pompidou cut short his vacation to hurry back to Paris for emergency meetings. In Tokyo, hasty phone calls summoned traveling Japanese Cabinet members back to the job.

The frenetic activity was set off by Nixon's radical moves to sever the dollar from gold and levy a 10% surtax on imports. The former started a worldwide monetary crisis, and the latter threatened to bring forth retaliatory tariffs from all of America's trading partners. With the dollar dethroned as the world's dominant currency, everybody was looking for something that could replace it.

**Constitution of Currencies.** Washington cut the dollar's tie to gold by serving notice that it will no longer cash in foreign-held dollars for gold bullion held at Fort Knox. Ever since 1944, when the present monetary system was devised at Bretton Woods, N.H., the dollar has had a special and internationally unique relationship to gold. Technically, gold is the asset by which nations pay their debts to one another. But practically, under the rules of the 118-

nation International Monetary Fund, which evolved from the Bretton Woods conference, dollars are actually the medium of exchange through which nations settle those debts. The system was made possible by a promise from the U.S. Treasury to redeem dollars for gold at \$35 an ounce. Because of that promise, IMF member nations had been assured that whenever they wanted gold in exchange for the dollars that they held as payment of debts, all they had to do was ask the Treasury Department in Washington.

U.S. gold reserves have dwindled steadily as a result of the nation's balance of payments deficits in seven out of the last ten years. When Nixon got a look at the figures for the first six months of this year, he knew that drastic action was necessary. Last week the Department of Commerce released those figures: the U.S. ran a record first-half deficit of \$11.6 billion. At that rate, the deficit would be \$23 billion by year's end.

Foreigners held three times as many dollars as the U.S. was capable of redeeming in gold, and they were demanding more and more gold because they were losing confidence in the U.S.'s will or ability to whip its economy into order. To prevent a run on Fort Knox, the President thus declared that the nation would no longer exchange dollars for gold.

That meant that the dollar was no longer as good as gold. Thus foreigners had to sell their dollars in money markets for whatever they could get. Since a surplus of dollars was sloshing around the world already, they could not expect to get much. In effect the dollar had been devalued.

The move will help the U.S. increase its exports, since American-produced computers, heavy machinery, jet planes, farm goods and other items will now be cheaper overseas. Over the long haul, the dollar devaluation will benefit

countries from which the U.S. buys goods because Americans will have to pay more dollars for the things they import. In the short run, however, countries such as Germany and Japan, which now hold \$27 billion as part of their national reserves, will take a beating. The value of their dollar assets is expected to shrink, perhaps by as much as 12% to 15%, as the prices of their own currencies rise. The only way foreign holders of dollars will be able to get full value for them is by spending them for American goods or services, or investing in U.S. securities.


**Economic Imperialism.** In one sense the monetary crisis was clearly the most pressing problem. But the 10% surtax on U.S. imports foreshadowed potentially far more dangerous consequences. Protective tariffs in the early 1930s divided the world into trade blocs that brought international commerce almost to a standstill and gave a major impetus to the growth of economic imperialism in Europe and the Far East. For the past 25 years, the U.S. has championed free trade and economic internationalism. Observed the *London Daily Telegraph*: "The danger of Mr. Nixon's approach to the dollar's longstanding problems is that it is self-evidently protectionist and as such invites retaliation."

The surtax breaks both the letter and the spirit of the international General Agreement on Tariffs and Trade. As a result, the U.S. now finds itself defending actions of a sort that it has criticized others for in the past. The 55-member GATT council is scheduled to meet in an emergency session this week to deal with the potentially explosive situation.

To justify the surtax, the U.S. has cited GATT Article 12, which allows temporary restrictions in case of severe balance of payments deficits. But the provision permits only quotas, not surtaxes. Thus, the U.S. is relying largely on a precedent set by Britain in 1964 when it posted a 15% import surtax (later reduced to 10%) and kept it for two years.

The surtax will have an impact



A man and a woman are embracing in a garden. The man, wearing a light blue shirt and light-colored pants, holds a small, round, patterned object. The woman, wearing a dark patterned top and a blue skirt, reaches up to touch a large orange lantern hanging from a string. Several other lanterns, including a large yellow one, are visible in the background. In the foreground, a pack of Viceroy cigarettes is shown, tilted to reveal the cigarettes inside. The pack is white with a red band and features the Viceroy logo, a sunburst design, and the text "Viceroy" and "Viceroy Cigarettes".

Tonight it's the  
Orient at home.

They like their parties  
a little different. And  
getting ready for them is  
at least half the fun.

Their cigarette?  
Viceroy. They won't settle  
for less.

It's a matter of taste.

Viceroy gives you  
all the taste, all the time.



11 mg. "tar," 1.2 mg. nicotine av. per cigarette.

FTC Report Nov. 70

## If sugar is so fattening, how come so many kids are thin?

You've probably had people tell you they're avoiding this or that because it has sugar in it.

If you want to see how much sense there is to that idea, next time you pass a bunch of kids, take a look. Kids eat and drink more things made with sugar than anybody. But how many fat ones do you see?

The fact is that there's no such thing as a fattening food, any more than there's one that can make you thin.

If you constantly take in more food than your body needs, you'll probably get fat. If you eat a balanced diet in moderation, you probably won't.

When your daughter gets in from a couple of hours of practicing her baton twirling, or your husband's sagging from finally

painting the upstairs bedroom, they're close to empty on readily available body fuel.

That's when eating or drinking something with sugar in it can give you a new supply of body fuel. In not too many minutes, they'll be ready to go again.

Sugar has a useful psychological effect, too. The good natural sweetness is like a little reward that promotes a sense of satisfaction and well-being.

Good nutrition comes from a balanced diet. One that provides the right amounts, and right kinds, of protein, vitamins, minerals, fats, and carbohydrates. Sugar is an important carbohydrate. In moderation, sugar has a place in a balanced diet. Sugar, it isn't just good flavor, it's good food.



For more facts about good nutrition, and sugar's role in it, write:  
Sugar Information, General P.O. Box 94,  
New York, New York 10001.

throughout Europe. The effect will be especially pronounced in West Germany, whose floating Deutsche Mark has risen by 7% since May in relation to the dollar. Though only 9% of all West German exported goods go to the U.S., they tend to be concentrated in key industries—autos, machine tools and chemicals. The surtax will have an even more damaging effect in Japan, which sends 30% of its exports to the U.S. These may be cut by as much as \$1.4 billion, out of a total of \$7.2 billion. Last week a near panic swept through the Japanese financial world. The Tokyo Stock Exchange average plunged a full 20% before a minor technical rally brought it up again at week's end. Said Hideo Shinjima, president of Mitsubishi Chemical Co.: "We had not expected such a drastic measure as the 10% surtax. In effect it means the yen has already been revalued so far as Japan's trade with the U.S. is concerned."

If this trade is badly impeded, more people than the Japanese will be hurt. Australia sells about \$700 million worth of iron ore and wool to Japan's export-oriented factories. Australians stand to suffer if the Japanese are forced to reduce their shipments of steel, autos and textiles to the U.S. The maritime nations—Norway in particular—will also lose. Norwegian shipowners hold close to \$4 billion in long-term international shipping contracts, with the prices fixed in dollars. If the dollar is devalued by, say, 10%, they could lose as much as \$400 million.

"Not Again." The Japanese found more to complain about than just the surtax. In July, the government of Prime Minister Eisaku Sato was stunned when the Administration gave the Japanese leader only three minutes' advance notice of President Nixon's Peking an-

nouncement. Last week, because of a foul-up in finding an interpreter, Washington allowed Sato only a ten-minute warning of its latest bombshell. After Secretary of State William Rogers broke the news to him by phone, the shaken Prime Minister simply shook his head and muttered: "Not again."

A major purpose of the surtax is to force the Japanese to increase the value of the yen. The exchange rate of 360 yen to the dollar, set when the Japanese economy was struggling to recover from war and inflation, does not reflect Japan's startling economic growth since then. As a result, Japanese businessmen are now able to sell exports to the U.S. at extremely low prices. Confirming their worst fears, Under Secretary of the Treasury Paul A. Volcker has hinted that the surtax might be lifted gradually as governments revalued their currencies upward against the dollar. Caught between the surcharge and revaluation, a weary Sato sent a mission to Washington to learn the terms under which the surcharge might be lifted. But by week's end, seeing that no other government had taken the initiative in revaluing, the Japanese settled back to wait and see.

**Political Squabbling.** If the surcharge is to be removed, hard bargaining will be necessary for all the U.S.'s major trading partners. For one thing, the U.S. is asking that the countries benefiting from American military protection assume more defense costs. The Administration also wants its allies to give American exports the same access to foreign markets that the U.S. traditionally gives to foreign imports. This demand is aimed directly at the Japanese. Extremely tight restrictions on imports and foreign investment make it almost impossible for American businessmen to sell their goods or set up their factories in Japan.

What the world now faces is a suspenseful period in which some major currencies will hob up and down and trade may be temporarily impeded because of confusion over what different monies are really worth. At week's end Europe's official currency exchanges remained closed, though most are scheduled to reopen this week. In West Germany, The Netherlands and some other countries, the dollar was floating against local currencies. It was worth whatever buyers were willing to pay for it from minute to minute. France decided to adopt a two-tier system. The French Central Bank will continue to give the official rate of 5.6 francs to the dollar to exporters, importers and other businessmen for legitimate commercial deals. But it will give a lower, floating rate, based on supply and demand, to tourists, investors and speculators.

To find a way out of this mess, bankers and finance ministers will hold a series of meetings at which the drink of the day will not be champagne but Alka-Seltzer. The Common Market's finance ministers will huddle in Brussels on

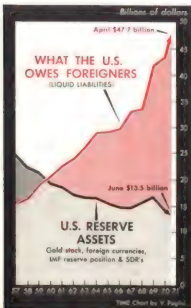


Sept. 13, or perhaps sooner, in an attempt to devise a coordinated strategy for revaluation. An initial meeting last week broke up in bitter squabbling between the representatives of France and Germany.

Europe's ministers are gloomy, expecting that no one will want to agree to basic changes until the IMF holds its annual conference in late September in Washington. That meeting will be the most important in the IMF's stormy history. Last week IMF officials openly criticized President Nixon's refusal to devalue the dollar directly by raising the price of gold rather than indirectly by relying on other countries to move the value of their own currencies upward.

The IMF and its member nations must come up with a way to restore sense and stability to currency transactions. In his speech, President Nixon asked as much by urging the IMF to "set up an urgently needed new monetary system." The gold-exchange idea that was devised at Bretton Woods has been so badly shaken that it cannot survive. Says Robert Triffin, a leading international money expert and a member of TIME's Board of Economists: "Perhaps the best thing about the Nixon economic package is that it has at last brought into the open the need for reform. Finally the world has been forced to look the problem in the face, instead of trying to patch up the system."

**Local Supremacy.** In the chancelleries and the countinghouses, there is much talk of bringing more flexibility to the system. One way would be to introduce—in the jargon of the money men—"wider bands" for currencies. Instead of being able to move up or down only 1% from their officially stated values, currencies would be able to fluctuate within the range of, say, 2% or 4%. In that way, they



could temporarily rise or fall in value without forcing nations to make wrenching official revaluations or devaluations.

Nations also need a new medium of exchange to replace the dollar as the world's central reserve currency. Says Triffin: "The world is now moving toward a new system in which neither the dollar nor gold will play the key roles that they have in the past. In the long run, the dollar will be supreme in its trading area, which includes Latin America and Canada, and European currencies will be supreme in the Common Market."

**Another Keynes.** Economists and finance ministers are also discussing a system by which all industrial nations would contribute some of their own currencies and gold to the IMF, which would then create and administer a sort

## Internationalism or Isolationism

The hidden danger in the latest world monetary crisis is that if it is not resolved quickly and well, the world could tumble into a period of economic isolationism.

The now-shaky monetary system has served nations well for most of the past quarter-century, spurring the movement toward internationalism in economic affairs. It has led to a huge growth in world trade, to the free exchange of currencies and to the rapid expansion of multinational corporations.

As a result, people in many countries can easily buy Volvos, Nikons and Löwenbräu, invest in the stocks of Sony and Unilever, travel and change their money with ease. American corporations have set up plants abroad; Ford, Pepsi

put more restrictions on the flow of goods and money but to reduce or remove altogether the obstacles to free trade that now exist.

**Gnomes of Manhattan.** There is an opportunity for sensible compromise, for example, by allowing the Japanese to sell more textiles or steel to the U.S., provided that they dismantle many of their trade barriers and permit American manufacturers to build plants and sell products in Japan. In the tough bargaining that lies ahead, there is equal opportunity for the U.S. to persuade the Europeans to eliminate some of their stiff trade restrictions by offering in return to remove some of its own. Among the candidates for repeal that are most unpopular with trading partners of the U.S. are the so-called "Ship America" act and the many similar expres-



BUYING IMPORTED CHEESES IN MANHATTAN

*A blow for buyers of Volvos and Löwenbräu, but an opportunity for sensible compromise.*



STOCKING AMERICAN CANNED GOODS IN HAMBURG

of "supermoney." It would not take the form of paper bills but, like the IMF's current Special Drawing Rights, would simply be a bookkeeping supplement to the existing gold supply.

The supermoney would expand automatically as the world's need for trading currency expands—something neither gold nor S.D.R.s now do. And because the supermoney would be backed by many nations, it could not be undermined by the economic policies of any one nation. For years the strength of the dollar has been steadily undermined by the U.S.'s inflationary policies.

It is clear that the dollar has ceased to be the most prized currency, and that the world is at a monetary turning point. At Bretton Woods in 1944, the prescient John Maynard Keynes proposed the creation of an international body that would issue and regulate an international money—something like a world central bank dispensing supermoney. Economists are saying wistfully that the world needs another Keynes. Until he comes along, the original Keynesian idea is as good as any on which to build.

Co., Du Pont, IBM, General Foods and thousands of other U.S. companies decorate foreign landscapes, creating jobs and contributing to the host country's prosperity.

**Foreigners' Pique.** Now all three of those major postwar developments—free trade, free exchange of currency, free investment—are threatened by a strong rise of economic nationalism. The present crisis endangers the free exchange of money and goods, and casts a shadow on the unimpeded flow of people and ideas.

Free trade is also threatened by the greatest surge of protectionism in the U.S. since the Smoot-Hawley tariff bill of 1930: last week, for example, the traditionally free-trading United Auto Workers Union announced that it was in the process of seriously reconsidering its position. Meanwhile, the growth of multinational corporations is threatened by foreigners' fears of "the American challenge" and their pique at President Nixon's unilateral actions last week.

Thus it becomes all the more important for nations to solve the current crisis quickly. The basic aim is not to figure out ingenious new ways to

sions of the "Buy American" mentality.

Some sensible regulations will have to be devised to limit the completely free movement of capital across borders. As matters stand, the treasurers of multinational corporations—the gnomes of Manhattan—can and do send billions of dollars leaping across frontiers in a matter of hours.

In such transactions the receiver country becomes inundated with unwanted dollars, which aggravates its inflation and creates the kind of crises that broke out last May and this month. The time has come to conceive of international machinery for wisely regulating the money flow in order to prevent sudden, sharp disruptions.

In struggling toward some new mechanisms, however, the U.S. and its allies above all need to avoid sacrificing the freedoms that they have won over the past 25 years or so. The hard re-examination of the monetary and trade systems caused by the new Nixon plan will prove disastrous if it feeds the forces of isolationism. The crisis of the dollar is real and disturbing, but it also offers a fresh opportunity to promote international cooperation.



# THE NATION

WIREIMAGE PUBLICATIONS, INC.

## AMERICAN NOTES

### The Sedan of State

One part of the President's economic package went slamming into contradiction with a decision handed down by the U.S. Court of Appeals in Washington. By seeking repeal of the 7% excise tax on automobiles and by imposing a new 10% surcharge on foreign imports, Nixon means to stimulate the American automobile industry and its suppliers: steel, glass and the rest. The policy implies the addition of still more American cars to a bumper-to-bumper society.

The court of appeals ruled, however, that automobile and gasoline advertising on television may be in the same class as cigarette advertising, that is, "controversial," and therefore subject to the fairness doctrine. Environmentalists, in other words, rate equal time. Earlier, the Federal Communications Commission had decided that ads for high-powered cars and gas did not offer comparable hazards to those of the ads for cigarettes. "The distinction," said the court, "is not apparent to us, any more than we suppose it is to the asthmatic in New York City, for whom increasing air pollution is a mortal danger." The FCC must now reconsider.

As with the issues of desegregation and busing, the case mordantly suggests that the "ship of state" is actually the "four-door sedan of state," with the Administration and the Judiciary in the front seat, a tangle of legs simultaneously jamming on the brakes and pumping the accelerator. Behind them, the Houses of Congress primp in the rear-view mirror, snooze or practice ortund back-seat driving.

### Mass Nostalgia

The Catholic Church had good and rational reasons for adopting a vernacular Mass, a popularly intelligible and flexible service far more accessible than the rumbling, mysterious Latin that sometimes seemed more like glos-

solalia on the lips of a hurried priest. But many traditionalists who understood the Latin Mass regarded its translation as equivalent to redesigning Chartres or Notre Dame along the lines of a functional Manhattan office building. The Latin version, with a patina of centuries, had a majestic ritual quality that the vernacular often turns into a godforsaken flatness.

Perhaps it is part of the current fashion of nostalgia, but when Assumption Church on the West Side of Chicago celebrates its one Mass in Latin every Sunday, worshippers jam in from as far away as Wisconsin. Many young couples come to Assumption to marry, specifically requesting a Nuptial Mass in Latin. The majority of Catholics may or may not prefer the vernacular as a more vital medium. But it is clear that some harbor a suspicion that modernity is overrated and favor Latin phrases as dark and cool and articulate as cathedral stones.

The sentiment for Latin turned up as well in a recent letter to the *London Times*, signed by 80 international figures, including Poet Laureate Cecil Day-Lewis, Author Graham Greene, Violinist Yehudi Menuhin and Opera Singer Joan Sutherland. The Latin rite, they argued, "belongs to universal culture as well as to churchmen and formal Christians."

### Letters from Somewhere

Once a casual outline of a running chicken carved on a bottle cork could serve as a postmark. Then came names, and now, in the name of efficiency, postal authorities have begun to do away with place names. Under a system known as Area Mail Processing, mail is picked up and taken directly off to distribution centers where huge, high-speed letter-sorters shuffle through thousands of pieces formerly handled by local post offices. Instead of postmarking a letter with the name of the town where it was mailed, the AMP machines simply stamp envelopes with



1869 RUNNING CHICKEN



NEW AMP POSTMARK  
Farewell to Shickshinny.

the phrase "U.S. Postal Service," followed by an abbreviation of the state and the first three digits of the area's zip code.

Today there are 22 AMP centers, with more to come, and many resonant place names are vanishing from American envelopes. Letters from Concord, Mass., for example, are trundled off to the AMP center in Framingham. Gone will be such postmarks as Shickshinny, Pa., and Truth or Consequences, N. Mex. If these pieces of Americana must disappear, however, the postal authorities might consider labeling letters with, say, "Somewhere in Oklahoma." That would at least cover the loss with an air of jaunty mystery.

### Lib Bill

When Congress reassembles next month for its post-vacation session, New York Republican Seymour Halpern plans to introduce a bill providing for the reissuance of the \$2 bill, which was discontinued in 1965. Thomas Jefferson's face used to adorn the bill, but Halpern will propose substituting the stern, ascetic profile of Susan B. Anthony, the matriarch of Women's Liberation. Halpern's idea has the endorsement of 32 co-sponsors in the House, 16 Governors and 22 women's organizations, including the 5,000,000-member National Council of Women of the U.S. and even the International Association of Women Police.

While it may be admirable to commemorate the women's rights movement by giving it such currency, the \$2 bill has a somewhat unsavory history. It once symbolized bought political votes, was a favorite of counterfeiters who liked to turn it into a \$20 bill, and often spent much of its time at the race track. In a dim, pre-inflationary time, it was widely favored as the medium of exchange at bawdy houses.



PROPOSED SUSAN B. ANTHONY \$2 BILL  
An unsavory history.

## ARMED FORCES

### A Reduction for Calley

The terse, four-paragraph statement from U.S. Third Army Commander Lieut. General Albert O. Connor concluded: "It was determined that the conviction was correct in law and fact and that the reduced sentence was appropriate for the offenses for which he was convicted." Thus the conviction of Lieut. William L. Calley was upheld, but his sentence—for the premeditated murder of at least 22 Vietnamese civilians and assault with intent to murder a small child—was changed from life imprisonment to 20 years. Calley, confined to his apartment at Fort Benning, Ga., since President Nixon personally intervened 41 months ago and had him moved from the stockade, will be eligible for parole after serving less than seven years of his new sentence.

Connor's decision came in the first round of legal appeals open to Calley and his defense lawyers. Military law provides four additional opportunities for Calley's sentence to be approved or reduced; the final review is by the President. Calley's dismissal from the Army and loss of pay were upheld by Connor, but the Army will continue to pay for his rent, food and utilities in the private apartment at Fort Benning that is considered the legal equivalent of a cell. There, under the relaxed guard of a single MP, with a color television set and regular visits from his girl friend Anne Moore to help him pass the time, the Charlie Company platoon leader who led his men into a small hamlet called My Lai more than three years ago serves his imprisonment.

**Drawing Doodles.** Calley lifts weights in his living room to keep in shape, is allowed on the lawn behind his apartment for daily exercise periods. Neighbors have seen several bags of cow manure delivered to fertilize the vegetables Calley grows in his backyard. His evening meal is occasionally prepared by Miss Moore.

The reduction in Calley's sentence was announced at Fort McPherson outside Atlanta, where Charlie Company's commander, Captain Ernest L. Medina, is in the second week of his long-awaited court-martial. Army prosecutors are attempting to convict Medina of command responsibility for what went on in the ill-fated village. Relaxed and apparently unconcerned as the men who once served under him take the stand to testify for the prosecution, Medina passes his courtroom time drawing doodles of the newsmen covering his trial. As Medina and Calley await the results of the legal proceedings against them, the cases of nine other soldiers implicated in earlier investigations were closed. Five officers and four enlisted men received administrative reprimands for their roles in the massacre at My Lai.



SATELLITE LAUNCHING

## ESPIONAGE

### The Spies Above

If a U-2 overflight could once provoke crisis, as the Francis Gary Powers incident did in 1960, the elaborately precise spy satellite systems of the U.S. and Soviet Union a decade later have created and enforced a *de facto* "open skies" policy between the two superpowers. Today such satellites slide through space like disembodied eyes recording an astonishing variety of information. Just over a month ago, for example, the Pentagon revealed that the latest Soviet SS-9 ICBM ground tubes are exactly 20 ft. in diameter.

Neither country, naturally, is very talkative about its espionage system. But in a new book, *Secret Sentinels in Space* (Random House; \$7.95), Philip J. Klass, senior avionic editor of *Aviation Week & Space Technology*, offers a first, fascinating look at the space hardware that has, so far, contributed to global stability. By allowing the two major nuclear powers to examine one another's military installations in exact detail, the satellites have considerably diminished the danger of war through miscalculation.

**Florida Force.** During the 1961 Berlin crisis, the "first generation" of Discoverer satellites was aloft, and John Kennedy was able to show Soviet Foreign Minister Andrei Gromyko photographs indicating exactly how few ICBMs the Soviets really had. "I believe," says Klass, "that after Gromyko saw those pictures he persuaded Khrushchev to back down."

Similarly, Klass writes, "the President entered the Cuban missile crisis with a very precise inventory of Soviet strategic missile and bomber strength, thanks to U.S. satellite photos." At the same time, the Soviets undoubtedly used their Cosmos satellites to watch the buildup

of U.S. aircraft in Florida and the American task force assembled in the Caribbean. "What role, if any, Russian satellite pictures played in convincing Kremlin leaders that the U.S. was prepared to go the limit," Klass writes, "probably is known only to a few Russian leaders."

The author concludes that "the automations-in-orbit, adolescent as their performance was at that stage, had kept the two giant thermonuclear powers from bombing into World War III at least once, perhaps twice." Another round of reconnaissance dueling came last year over the Middle East, when U.S. satellite pictures confirmed that



RECOVERING CAPSULE  
Also for poppy fields.

the Soviets and Egyptians had moved missiles into the cease-fire zone, in violation of the cease-fire agreement.

Klass submitted proofs of his book to the CIA and the Pentagon; they objected to its publication but made no move to stop it. No one else has written in comparable detail about spy satellites. Klass describes, for example, the nation's latest SAMOS (satellite and missile observation system), "the Big Bird," launched just two months ago. A giant, twelve-ton spacecraft capable of working aloft for at least several months, the Big Bird combines the capabilities of several earlier satellites. It can transmit high-quality pictures by radio, and eject capsules of exposed film which then drop by parachute. The Big Bird also includes infrared heat-sensing equipment that allows it to "see" through Siberian ice and snow to locate Soviet underground weapons. The heaviest concen-

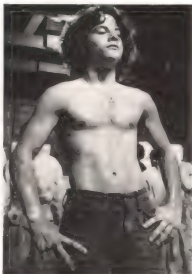
tration of long-range Russian missiles, Klass reports, is behind the Urals in Central Asia and in Siberia.

**Narcotics Film.** Besides sniffing out weaponry, spy satellites provide a variety of data for civilian use—in geological studies, for example, or even narcotics control. Color film pictures of the poppy fields of Southeast Asia and elsewhere, taken from satellites, have been projected at the White House. When President Nixon referred recently to international control of narcotics, he had in mind the U.S. capability to point out the exact locations of the world's poppy fields.

In the past 18 months, the Soviets have moved one step ahead of the U.S. They have devised a killer satellite that can track, inspect and blow up another satellite aloft. The situation is not unlike that in the James Bond epic *You Only Live Twice*. The U.S. is still developing such a destroyer, and the possibilities are ominous. Should one side decide to knock out the other's spies, Klass concludes, "it will turn space into a battleground, precipitate a still more costly arms race and return the world to the perilous days of the late 1950s."



J.D.L. INSTRUCTION ON HOW TO SHOOT



KARATE STUDENT FLEXING

No time for baseball and swimming.

## MILITANTS

### Armed Summer Camp

Although it nestles snugly in the gentle foothills of New York's Catskill Mountains, Camp Jedel is no bucolic summer retreat. It is surrounded by a metal fence guarded 24 hours a day by campers; a 30-ft. watchtower is under construction. There is no baseball diamond or basketball court; the swimming pool is empty. The 37 campers, including several girls, range from the ages of 13 to 19; they wear green Army fatigues emblazoned with the blue-and-white sleeve patch of the Jewish Defense League.

So far, the league—founded in 1968 by Rabbi Meir Kahane—has taken on neo-Nazis, allegedly anti-Semitic blacks and the Soviet persecution of Jews. It is most notorious for its harassment of Soviet diplomats in the U.S. (TIME,

May 24). Kahane is currently out on five-year probation after pleading guilty to charges of conspiring to manufacture explosives. The camp is part of the league's program—originated in the poorer Jewish neighborhoods of New York City—to teach Jewish youths the fundamentals of self-defense at a time when threats to life and property seem to be ominously mounting.

**Lost Illusions.** Lecturer David Solomon, a black who is a convert to Orthodox Judaism, told the campers: "Our problem as Jews is that we've always been the humanists, the internationalists. We are the ones with faith in the world, and we are always the last to lose our illusions. That is what happened in Germany." Sam Shoshan, a leading member of the J.D.L. executive board, told TIME Correspondent Leonard Levitt: "We want to encourage the belief that fascism is coming to America and that the Jew is not safe here. If there is just

rocks may be preparation for scaling buildings in case of an outbreak of urban guerrilla warfare."

At day's end the colors—a small American flag above a larger Israeli flag—are lowered. The rest of the time the campers practice close-order drill, pull KP and read some of the library's 200-odd books. Among the most popular are *Treblinka*, by Jean-François Steiner, and *While Six Million Died*, by Arthur D. Morse, which accuses Franklin D. Roosevelt of slackness in coming to the aid of Hitler's victims. One book is required reading: *The Palestine Underground*, by Y. Borisov. For good behavior, campers can earn a weekly pass that allows them to go into the neighboring town of Woodbourne.

Several of the nearby horseshoe belt hotels have occasionally invited the youngsters over for a swim; sometimes they have even catered hot meals to the camp. But the meals are looked at

PHOTOGRAPH BY TIM BERNARD SAUNDERS



YOUNGSTERS ON THE CAMP FIRING RANGE

askance, and only two swimming invitations have been accepted. As young Glass puts it: "I didn't come here to have a good time. I came here to learn to fight for Jews."

## LABOR

### Building with the Buffalo Boys

It looms on the Buffalo skyline, a 16-story tower of white stone that will some day be the city's new \$12.9 million federal office building. For now, it stands as a monument to the power of the Buffalo Mafia. It is unfinished, one year behind schedule and at least two months from completion; the contractor's losses have mounted to \$500,000 while 30 Government agencies wait to move in. Reason for the delays: the Mob in Buffalo has a chokehold on Local 210 of the International Hod Carriers, Building and Common Laborers' Union of America and, as a result, on the construction of any major building in the city. Past investigations of Local 210 have revealed that union officials held stock in a concrete company that contracted with builders in Buffalo. "Phantom workers" placed on contrac-

a slight fear in some Jews, we play upon it."

Such reasoning is reflected in the camp's somber, ascetic routines. Director Russ Kelner, 30, a bearded, hard-nosed Philadelphia high school teacher, is running the camp with militaristic verve. Reveille is sounded at 6 a.m. Karate training is conducted from 6:15 to 7:30. After breakfast, because the rifle range is only partially completed, half the group at a time holds target practice while the other half lifts weights.

**Drill and KP.** At 11:30 the students hear the first of two daily lectures on Jewish history and culture; two more hours of karate classes are given in the afternoon. There is also occasional instruction in rappelling on the rocky camp escarpments. "The arms training may be to protect Jewish shopkeepers," explains Robert Glass, 15. Says another trainee, Larry Amsel, 19: "Sealing



STEFANO MAGADDINO



NEW FEDERAL OFFICE BUILDING  
An unfinished monument to the Mafia.



JOHN CAMMILLIERI

tors' payrolls were using their bogus employment as alibi when questioned by police. Kickbacks for the privilege of joining Local 210—nine out of ten Buffalo Mafiosi are members—were routine.

The Laborers' Union is a "family" enterprise of the Stefano Magaddino Mob. Its rolls are swelled by the membership of Mafia *capos* and soldiers; its offices are a haven of hookmakers and shyllows. The organization's power to call slowdowns and walkouts, to control pilferage and absenteeism, and to enforce threats against contractors runs through the history of the new Government office building.

Trouble at the building site began almost as soon as ground was broken. The Government's general contractor, J.W. Bateson Co., of Dallas, started construction in the fall of 1968. When the work crew arrived from Local 210, a convicted bookie was on hand to serve as union foreman. The union official in charge of keeping time cards for the laborers was 300-lb. Sammy Lagattuta. His stout figure is a familiar one to police. He is at present awaiting trial on a federal charge of loan-sharking conspiracy.

**Slow Motion.** With such supervisors in charge, the building proceeded at a sluggish pace. One spot check of the building at 8 a.m. lasted 90 minutes and turned up not a single Local 210 laborer at work. Bateson foremen searched the building site in vain for certain workers whose time cards showed that they were on the job. The mystery was somewhat cleared up when FBI agents investigating another case discovered that many of the workers often wandered far away from the building site, tending their more lucrative hookmaking and loan-sharking activities. Pilferage was so widespread that Bateson officials complained the union was "stealing us blind."

When the laborers did deign to stay on the building site, their performance

was desultory at best. Chided by a Bateson supervisor for not working, two Mafiosi claimed that the criticism had made them ill and walked off for the rest of the day. Others worked in slow motion. Attempts to dismiss the Mob supervisors resulted in more walkouts as well as threats. In February 1970, with the completion deadline six months away, Bateson officials tried a crackdown. Shortly afterward, a fire flared on the second floor of the building, causing \$100,000 in damages before it was finally extinguished. The origin of the blaze was never determined.

**Straw Boss.** Bateson received a six months' extension of its deadline, but by then it was obvious that what was needed was more practical assistance from Local 210. At the suggestion of Mafiosi already on the payroll, the contractor hired a "job coordinator"—Magaddino *Capo* John Cammillieri. In his sharply tailored suits, pointed-toe shoes, dark glasses and pinkie ring, Cammillieri was an unlikely looking straw boss for an office building construction gang. But his effect on the work force was immediate and far-reaching. For \$7.10 an hour, Cammillieri did with one memo what Bateson Foremen had tried to do for two years: he got the laborers to work.

He simply tacked a notice on the bulletin board at Bateson's Buffalo headquarters. In it he stated that the laborers' attendance record was a "disgrace." From then on, wrote Cammillieri, there was to be "no excuse" for missing work—not even illness. "If you are able to go to the doctor, you are able to come to work." Additionally, there would be no more leaves of absence for surgery: "We hired you as you are and to have anything removed would certainly make you less than we bargained for. Anyone having an operation will be fired immediately." Trips to the rest room had taken too much time away from their work, Cammillieri stated. He set up an alphabetical sched-

ule for using the toilet, complete with a 15-minute limit on the time spent in the lavatories. "If you are unable to go at your time, it will be necessary to wait until the next day when your turn comes again."

**Best of Health.** The memorandum concluded with an example of Mafia morbidity: "Death (other than your own) is no excuse. If the funeral can be held in the late afternoon, we will be glad to let you off for one hour, provided that your share of the work is ahead." Should one of the workers die, Cammillieri wrote, his demise "will be accepted as an excuse. But we would like two weeks' notice, as we feel it is your duty to teach someone else your job." The grim humor was an adequate hint: Cammillieri is not known as a joker in Buffalo Mob circles. He closed the notice with the classic Mafia double entendre: "Best of health." The workers had no trouble translating the threat of the Mafioso.

The building is now near completion, though the time lost before Cammillieri's arrival will still make the contractor about eight months behind the extended deadline in finishing the job—at a penalty rate of \$917 a day. Federal agencies in Buffalo have been in chaos due to the delays. Leases on present space in other buildings are expiring, and one agency has attempted to move in despite the fact that the building is unfinished. The office workers must pick their way through mud and construction material to reach their still incomplete quarters. The role of the Mafia in the construction of the building—first in slowing down work, then in Cammillieri's speedup—is dismissed with studied ignorance by the contractor. Said Bateson Superintendent Paul Boyd: "Cammillieri kept Local 210 off my back. That alone was worth what we paid him. He did a job for us—but I don't know how he did it."



## THE WORLD

# Still a Thieu-Way Race in South Viet Nam

THERE was always something fundamentally unworkable about the script for South Viet Nam's presidential elections in October. Authored in part by U.S. Ambassador Ellsworth Bunker, the plan called for an earnestly contested race among three candidates—President Nguyen Van Thieu, Vice President Nguyen Cao Ky and retired four-star General Duong Van ("Big") Minh. If Thieu won a reasonably honest election, the scenario went, the Administration could declare Vietnamization a resounding success and step up the pace of its withdrawal from the long-est war in U.S. history.

Given the mix of personal ambitions and animosities in Saigon, that plot was always less likely to unfold according to plan than to unravel. Last week, in a drama that "needed only Gilbert and Sullivan to set it to music," as one Western diplomat in Saigon cracked unhappily, the show nearly collapsed altogether.

The popular Big Minh, Thieu's only real rival for the presidency, abruptly pulled out of the campaign, charging that the election was a "disgusting farce," blatantly rigged by the Presidential Palace. The only other potential rival, Ky, had already been shut out—at least "provisionally"—by a highly restrictive elec-

tion law that he rammed through the National Assembly last June. The law required potential candidates to collect written endorsements from at least 40 of the 191 National Assemblymen or from at least 100 of the country's 550 provincial councilmen. Thieu blandly assured U.S. officials that the law was aimed merely at winnowing out the frivolous candidates; after all, there were no fewer than eleven hopefuls in the 1967 election, which Thieu won with a bare 35% of the vote. When it finally dawned that the man Thieu most wanted to winnow out was Ky, alarm spread through the U.S. embassy. Bunker repeatedly warned Thieu that it might look bad all round if the Vice President were squeezed out of the race. But when the Aug. 4 filing deadline came around, Thieu sat quietly while the Supreme Court ruled out Ky for lack of sufficient certified endorsements.

**Bad Old Days.** Even if Ky were to throw all his energies into a campaign, such a race could only have a grotesquely one-sided result. Ky's support is mainly among the military, northern Catholic refugees, and some Buddhists, plus whatever votes he might pick up from Minh's anti-Thieu supporters. Deprived of any chance of unseating Thieu by political means, South Viet Nam's voters could well turn to other methods. Last week, a crippled war veteran doused himself with gasoline and set himself ablaze on a downtown street to protest Ky's earlier provisional exclusion from the campaign; he might not have done so had he waited for the Supreme Court ruling.

The electoral debacle pointed up the U.S.'s declining leverage in Saigon. The U.S. embassy in Saigon badly underestimated what Ky acidly describes as Thieu's "excessive attachment to power"—a syndrome that is not unknown to Ky and Minh, who have both held power with U.S. backing in the past. The flaw in the U.S. thinking was that no one foresaw how far Thieu was willing to go to ensure his own re-election.

Thieu's principal weapon was a tough

election law that he rammed through the National Assembly last June. The law required potential candidates to collect written endorsements from at least 40 of the 191 National Assemblymen or from at least 100 of the country's 550 provincial councilmen. Thieu blandly assured U.S. officials that the law was aimed merely at winnowing out the frivolous candidates; after all, there were no fewer than eleven hopefuls in the 1967 election, which Thieu won with a bare 35% of the vote. When it finally dawned that the man Thieu most wanted to winnow out was Ky, alarm spread through the U.S. embassy. Bunker repeatedly warned Thieu that it might look bad all round if the Vice President were squeezed out of the race. But when the Aug. 4 filing deadline came around, Thieu sat quietly while the Supreme Court ruled out Ky for lack of sufficient certified endorsements.

Big Minh was the only remaining potential opponent, and when he began to speak of withdrawing, U.S. disappointment over Ky's disqualification turned into dismay. Minh had won a wide following as a patriot and nationalist and was sensitive to charges that he was in the race mainly because the U.S. put him up to it. Unless the U.S. did something to curb Thieu's im-



BIG MINH

A three-man campaign...

tion law. Then, after a palace showdown between Bunker and Thieu following Big Minh's withdrawal, the nine justices of South Viet Nam's Supreme Court met and ruled that Ky could qualify as a candidate after all. Ostensibly, what had started as a three-man campaign and then come down to one was now to become a two-way race again.

Or was it? The Supreme Court action put Ky on the ballot whether he intended to run or not. But at week's end, Ky announced that he would defer a final decision. Nevertheless, it was understood that he intended to call for



PRESIDENT THIEU



VICE PRESIDENT KY

... a two-way race again.

mense advantages in the campaign, Minh warned Bunker, he would pull out.

The measure of U.S. concern was evident when Bunker hastened to Washington for several days of talks. It was decided that Bunker should warn Thieu "on the highest authority"—meaning straight from Richard Nixon—that the Administration would be deeply disturbed if the election turned into a fiasco. Congress, Bunker was to emphasize, might balk at continuing aid to Saigon if Thieu ran unopposed.

Bunker returned to Saigon last week and delivered his message to Thieu, then

went on to Big Minh's villa a few blocks away. But Minh was not convinced of Bunker's power to put a rein on Thieu's ambition. Next morning, Minh's spokesman announced his withdrawal.

They also released government documents which, according to Minh's supporters, showed how the election was being rigged. The main item was a 17-page memo to province chiefs; among other things, it told how to fix ballot cards to enable Thieu partisans to vote twice and how to discourage Thieu opponents by finding "a scar"—Vietnamese parlance for a past crime or anything else that might make a man vulnerable to blackmail.

**Supreme Irony.** After that, Bunker returned to Thieu's palace, this time with Kansas Senator Robert Dole, the chairman of Richard Nixon's Republican National Committee. A little pressure was evidently needed to convince Thieu that something had to be done. Next morning, the Supreme Court ruled that Ky had enough valid endorsements to qualify as a candidate after all.

The supreme irony of the situation is that the U.S. has been serious about the "hands-off" posture it struck toward the election months ago. But as Big Minh and other critics have bitterly pointed out, what the U.S. took to be a policy of noninterference in the campaign President Thieu chose to interpret as a green light to make the most of his advantages as the incumbent.

## Northern Ireland: Deepening Bitterness

AS a Good Humor truck jingled incongruously in the street outside, a leader of the Irish Republican Army hunched over a table in a small brick house in Belfast last week and described the battle plans of his illegal organization. "We're not strong enough for a victory like that of the Allies in Europe," he said quietly, "but we can make it so expensive that the British will have to cut their losses and run."

The following night, masked men burst into a Catholic home in Belfast's Ballymurphy area where two British troopers, on leave from Germany, sat watching television with relatives. The intruders opened fire, wounding the two Britons as well as a 17-year-old boy. Earlier that day, masked gunmen tried unsuccessfully to bomb the Belfast headquarters of the ruling Unionist Party.

**Created Lull.** Despite such hit-and-run attacks, Ulster's Prime Minister Brian Faulkner, whose seizure of some 300 suspected I.R.A. members and other activists two weeks ago had provoked four days of rioting, maintained that his action had checked the terrorism. The I.R.A., however, took full credit for the apparent pause. "There is a lull that we've created ourselves," said one I.R.A. member. "We have refused to be pushed into a corner where we have to fight on British terms."

The bitterness deepened when British troops killed two men, one of them a deaf mute: the army said he had been waving a pistol, while Catholic bystanders claimed he was unarmed. Ulster's Catholics were also angered because the internment without trial had not applied equally to extremists on the other side; none of the 232 still held were Protestant. Elaborate rumors of their mistreatment circulated through Northern Ireland's six counties, leading William Cardinal Conway, Catholic Primate of All Ireland, to charge that "there is prima facie evidence that entirely innocent men are being subjected to humiliating and brutal treatment." This prompted the British Army to order an inquiry.

**Maximum Damage.** Moderate Catholic leaders had earlier proclaimed a campaign of civil disobedience, and throughout Ulster, Catholics began to withhold their payments of rent and property taxes. A one-day strike virtually shut down the business district of the predominantly Catholic city of Londonderry. When 1,300 British troops attempted to dismantle the recently rebuilt Derby barricades, which since 1969 have symbolized the Catholics' determination to defend themselves, residents responded with rioting and random rifle fire. Two moderate M.P.s, trying to restore order, were arrested for "failing to move on the command of a member of Her Majesty's forces." Next day, 30 leading Londonderry Catholics resigned from civic bodies in a total withdrawal of the city's Catholic community from public life.

The Irish Republic's Prime Minister John Lynch warned the British government that, unless it stopped trying to achieve a "military solution," he would back the passive-resistance policy of Northern Ireland's Catholics. Retorted British Prime Minister Edward Heath: "Your telegram is unjustified in its content, unacceptable in its attempt to interfere in the affairs of the United Kingdom," and calculated "to do the maximum damage to the cooperation between the communities in Northern Ireland."

Heath's icy reply to Jack Lynch hardly seemed designed to encourage the

Dublin government to cut off the illegal supply of arms and men that seeps across the 200-mile border between south and north. But it may have served to strengthen Ulster's Prime Minister Faulkner, who has become increasingly vulnerable to the demands of his party's hard-liners. As former Home Minister William Craig told TIME Correspondent Curtis Prendergast: "If Faulkner seems to make any more gestures of compromise, it'll bring the roof right down on top of him."

BRITISH SOLDIERS ATTEMPTING TO ENTER BOGSIDE



WOUNDED YOUTH BEING EVACUATED



SEIZING CATHOLIC YOUTHS IN LONDONDERRY





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BIG FOUR AMBASSADORS AT WINDOW OF ALLIED HEADQUARTERS IN WEST BERLIN\*

## Berlin: Shaping Agreements

**S**ENSING that a historic agreement could be in the making, small knots of West Berliners began gathering one evening last week at the massive iron gates of the Allied Control Council's palatial headquarters in Kleist Park. Every so often, Soviet Ambassador Pyotr Abrasimov or one of his aides would slip silently away on a mission to East Berlin—to consult, it was later disclosed, with Soviet Foreign Minister Andrei Gromyko, who had flown in to oversee the crucial final stages of the 17-month-old talks on the future of Berlin. Then, shortly after midnight, the sound of applause came from the open windows of the second-floor room where the Big Four ambassadors—from the U.S., Britain, France and the Soviet Union—had been negotiating for nearly 14 hours. The applause was abundantly justified: the ambassadors had reached a pivotal agreement in the drawn-out process of ending a quarter-century of East-West conflict over the city.

Their slim draft of about a dozen pages, a so-called "umbrella agreement," will probably be worked over for months before the Big Four Foreign Ministers finally sign a Berlin Protocol. The ambassadors will meet once again early this week. Then, barring a last-minute hitch, they will dispatch the draft document to their governments for approval. Once that is secured, officials of the two Germanys and the two Berlins must hammer out the final details concerning access to the city and travel between West Berlin and East Berlin and between West Berlin and East Germany. The whole fragile structure of settlement could come apart at any step along the way. For that reason, the text of last week's umbrella agreement will not be made public until the Big Four ambassadors meet again, probably in September, to signify their governments' final approval by affixing their initials.

Even so, TIME's Bonn Bureau Chief Benjamin Cate was able last week to cable this assessment of the agreement's major points:

**ACCESS.** The most important achievement for the West was a Soviet guarantee of free and "unimpeded" travel along the three air corridors, two autobahns, three rail lines and two waterways that traverse the 110 miles between West Berlin and West Germany. The Soviets had long maintained that they were powerless to prevent East Germany from harassing traffic along the corridors; last week's agreement became possible only after the Russians consented to take specific responsibility for ensuring free access to West Berlin. The draft document specifies that passenger and freight trains, buses and trucks will be sealed before they enter East German territory, and only the seals will be subject to inspection by border police. Trains, now held to a 50-m.p.h. speed limit, will be allowed to go faster—probably 75 m.p.h. The East Germans, who now routinely halt and search all cars, will be restricted to doing so only in special cases—when they are looking for suspected criminals, for instance. The Big Four also agreed that officials in the two Berlins should work out arrangements that will permit the 2,100,000 West Berliners to cross the dividing wall on routine visits for the first time since 1966—probably on the basis of 24-hour passes, which West Germans who want to visit relatives in East Berlin can secure today.

**REPRESENTATION.** The Soviets' longstanding goal has been to make West Berlin a separate political entity; the West has recognized a special status for the still-occupied city, but also sought to en-

trench its connections with West Germany. The agreement gives something to both sides. It recognizes that West German consulates and embassies can represent West Berlin in trade and cultural affairs, a point never before conceded by the Communists. But by the same token it limits Bonn's claim to represent West Berlin in all matters. West Berliners will have a special stamp affixed to their West German passports. Similarly, the Western negotiators agreed that the Soviets could open a consulate in West Berlin, a move that underscores that city's separate status. Evidently anticipating such a step, the Russians not long ago secretly acquired a mansion in Grunewald, a prosperous and cosmopolitan neighborhood in the American sector.

**PRESENCE.** Much to East Germany's irritation, Bonn stresses its ties to West Berlin by maintaining a big governmental presence in the city. The West German bureaucrats, who handle a variety of trade, cultural and administrative matters—including disbursements of the \$500 million annual subsidy from Bonn that keeps the city alive—will stay. As a concession to the Soviets, the Allies agreed to bar "official" visits by West German Presidents and Chancellors as well as full-scale meetings of the Bundestag in West Berlin (none have been held there since 1969). But it remains to be decided whether West German political parties will continue to be allowed to hold caucuses and other such activities in the city.

The negotiators were able to reach agreement only by deciding early on



\* Left to right, France's Jean Sauvagnargues, Britain's Sir Roger Jackling, the U.S.'s Kenneth Rush, Russia's Pyotr Abrasimov.

that they would not even try to resolve the unresolvable: West Berlin's legal status. Thus the whole city will remain under the "joint occupation" established by the Allied powers in 1944. Every day French, British and American military police will continue to cross into East Berlin to maintain that fiction. Yet the agreement is a considerable victory for the negotiators' pragmatic approach. In essence, the West traded symbolic concessions for the immediate and practical goal of unimpeded access between West Germany and West Berlin. And for the first time, the Soviets and their East German allies have acknowledged in writing West Berlin's intimate economic and cultural ties with West Germany. In that sense, the draft agreement is a plus for the West, neutralizing a pressure point that the Communists have squeezed off and on as their interests required since the Berlin blockade of 1948.

West German Chancellor Willy Brandt, who flew back from a North Sea vacation last week for talks on Berlin and the international currency crisis, appeared jubilant over the progress of the negotiations. But his joy could be premature. Moscow may no longer try to root out West Berlin like a "cancerous growth," as Nikita Khrushchev used to put it. But there is a danger that over the next few years the Communists could use what now appear to be slight concessions—such as a Soviet consular presence in West Berlin—to encourage a gradual narrowing of West Germany's involvement in West Berlin, a connection that is the city's economic, and therefore political, lifeline.

**Adroit Negotiation.** Nonetheless, a final agreement on Berlin could lead within the next two years to a state treaty of some sort between the two Germans and United Nations representation for both as early as the fall of 1972. More broadly, agreement would clear the way for settling a broad range of issues that now aggravate East-West relations in Europe. West Germany's Brandt, for instance, made it clear to the Soviets that there would be no *Ostpolitik* without a Berlin agreement. With such an agreement in hand, he could submit to the Bundestag the renunciation-of-force treaties that he negotiated with Moscow and Warsaw last year. That, in turn, would allow the Soviets to press for their much-desired European security conference, through which they hope, among other things, to win Western recognition of East Germany and to formalize the status quo in Eastern Europe.

A final Berlin settlement could also lead to the opening of negotiations between NATO and the Warsaw Pact nations on mutual and balanced force reduction in Central Europe. If nothing else, last week's draft agreement demonstrates that the most intractable problems can yield when they are attacked with patient and adroit negotiation.



BARDOT AT HER ST-TROPEZ VILLA  
No more private playgrounds.

## FRANCE

### Battle of the Beaches

During World War II, American forces liberated miles of beaches along France's Côte d'Azur. Ever since, it has been a struggle to keep them free.

Wealthy Europeans and Americans built tens of thousands of fancy villas along the 200-mile coastline between Marseille and the Italian border, turning much of the Riviera into a private playground. To keep out trespassers, these "beach barons" erected high fences, stone walls and barbed wire, often patrolled by vicious guard dogs.

The ordinary sun seeker soon found it almost impossible even to reach the supposedly public shoreline. At the accessible public beaches, concession owners, backed by musclemen euphemistically described as lifeguards, forced tourists off the sands unless they were willing to pay for beach mattresses, umbrellas or change-of-costume cabins.

With the best beaches off limits and only one-third or so of the swimmable, sunbathable seashore available to the public, the would-be bathers began to rebel. In 1965 hundreds of visitors at St-Raphaël, about 25 miles west of Cannes, demonstrated against the construction of a stone wall that would have blocked access to the charming cove of Santa Lucia. In 1967, at nearby Le Lavandou, local Provençaux brought out their hunting rifles in an effort to liberate the "abusively expropriated" beaches. Sympathizing with the protesters, film maker René Clair and playwright André Roussin founded an association called *Mare Nostrum* to lobby for freer beaches.

In the wake of this pressure, Gaullist Minister of Public Works and Housing Albin Chalandon last month ordered that the beaches be opened up. Arguing that the state has been the legal proprietor of most of France's seashore since the 17th century, Chalandon decreed that all "private beach" signs and fences be removed and roads be built through estates that have sealed off beaches. He also declared that the *plag-*

*istes* (beach concessionaires) could not charge for access to the sea.

Some private villa owners good-naturedly complied. Prince Bertil of Sweden, a democratic fellow who wears a beret while riding around Ste-Maxime on a mini-motorcycle, willingly cut a passage through the wicker fence around his villa's beach. At Cabasson, Grand Duchess Charlotte of Luxembourg, who could claim extraterritoriality for her beach by virtue of her title, readily admitted sunbathers and swimmers to her beach provided they were decently dressed and not too noisy.

Among the notable holdouts: French President Georges Pompidou and Brigitte Bardot. Authorities have forbidden use of the beach or water within 1,000 ft. of Pompidou's holiday retreat at Brégonçon near Toulon. As for BB, St-Tropez citizens and officials have tacitly agreed not to disturb the two long high walls that jut perpendicularly out into the Mediterranean from her private haven. After all, it was Brigitte who made the resort a tremendous tourist attraction in the first place.

## SOVIET UNION

### Beyond Endurance

"For many years I have borne in silence the lawlessness of my employees," Alexander Solzhenitsyn wrote to no less a personage than Yuri Andropov, head of the KGB, the dread Soviet secret police. In a letter that first circulated among his friends and then reached the West last week, the beleaguered Nobel-prizewinning writer complained that his mail had been confiscated, his telephone tapped, his apartment—and even his garden—bugged. KGB officials had also been slandering him publicly. "Now I will no longer be silent," he wrote to Andropov.

What drove Solzhenitsyn beyond endurance was a recent KGB raid on the one-room shack that he had built with his own hands in the village of Rozhdestvo, 25 miles southwest of Moscow. The author often takes refuge there,

to write and enjoy the peace of the countryside. That peace was abruptly broken two weeks ago by KGB agents, who arrived at the shack in Solzhenitsyn's absence, apparently to set up a hugging apparatus and search for documents that they hoped might incriminate him. But a friend of the writer's, Alexander Gorlov, surprised them on the job. A grotesque scene ensued. Wrote Solzhenitsyn: "In the small structure, where three or four can barely turn around, there were about ten of them. They bound Gorlov, dragged him face down into the woods, and beat him cruelly. Simultaneously, others were running by a roundabout route through the bushes, carrying away packages, papers and objects—perhaps parts of the apparatus they had brought with them."

**Act of Defiance.** The KGB men tried to prevent Gorlov from telling Solzhenitsyn about the raid. They threatened to destroy his career as an engineer, and even to imprison him. Although viciously mauled, Gorlov refused to give in. So did Solzhenitsyn. In his letter to Andropov he demanded an investigation of the whole sinister affair, adding in a note to Premier Aleksei Kosygin that he held the KGB chief "personally responsible."

It was the great writer's boldest act of defiance thus far; his letter struck at the heart of the Kremlin's most ruthless and most secret instrument of terror. Specialists in the West speculated that the KGB, unused to such challenges, might well be tempted to retaliate by permanently ensuring Solzhenitsyn's silence. As a KGB officer told Gorlov: "We are on an operation, and on an operation we can do anything."

## THE PHILIPPINES

### Death in the Plaza Miranda

A crowd of about 4,000 had gathered in the Plaza Miranda, a popular political forum in the heart of downtown Manila's shopping and business district. They had turned out to hear speeches by Liberal Party candidates for Manila's mayoralty and for eight of the country's 24 Senate seats. It was a festive occasion: balloons floated through the evening air and spectators waved fans printed with the candidates' names and slogans. The makeshift stage, built with old kerosene drums and boards, was crammed with Liberal Party officials, the smiling candidates and their wives.

Just as the ceremonies were to begin, two hand-grenade blasts ripped apart the speakers' platform. The explosions brought instant death to eight spectators clustered near the platform, including a five-year-old child and Manila Times Photographer Ben Roxas. Virtually everyone on the stage was injured, including incumbent Senator Jovito Salonga, who is running for re-election; Liberal Party President Gerald Roxas; and the Liberal Party's 1969 presidential candidate, Senator Sergio Osmena Jr., who received critical head and chest

wounds. President Ferdinand Marcos termed the bombing "a national tragedy." Who had caused the tragedy? Police believed that the hand grenades had been thrown by "leftist radicals" they had earlier noticed in the crowd.

## BOLIVIA

### One More Time

Since Bolivia won its independence from Spain in 1825, it has been rocked by more than 180 uprisings—most of them successful. Last October, General Juan José Torres, 50, led his leftist military regime to power in comic-opera fashion: while a right-wing junta was busily jostling then President Alfredo Ovando Candia out of office, Torres quietly gained the support of the air force and moved into the presidential palace. Last week Torres in his turn was battling yet another revolution.

The rebellion began after Torres arrested 30 soldiers and civilians for alleged plotting against his regime. Right-wing army elements revolted in the eastern city of Santa Cruz and soon claimed military support in six of Bolivia's nine provinces. The rebels proclaimed as President one of the men arrested a day earlier, General Hugo Banzer.

In La Paz, Torres vowed that he would defend his regime "unto the end" against the "uprising of the fascists." He was supported by elements of the army and by the powerful Central Labor Organization, which began to organize its membership into "commando" units. At week's end forces loyal to Torres were reported to have regained control of Oruro, a strategic rail and highway town that links La Paz with the all-important tin mines.

Then fighting broke out in La Paz, the seat of government, where, in the folklore of Bolivia, a revolution is won or lost. It began when cadets at the mil-

itary academy declared themselves for the rebels and began taking on two loyal battalions. Torres' forces hastily began to barricade the streets. When the armed forces commander gave Torres an ultimatum to resign, Torres reportedly answered: "You will have to carry me out of here dead." Later, however, just before four rebel tanks trained their guns on the palace, the President left hurriedly to join his loyalist forces. As the battle raged, the only certainty was that Bolivians were once again killing other Bolivians in earnest.

## MEXICO

### Whirlaway

Most of the 136 guards at Mexico City's Santa Maria Acatitla prison were watching a movie with the prisoners last week when a Bell helicopter, similar in color to the Mexican attorney general's, suddenly clattered into the prison yard. Some of the guards on duty presented arms, supposing that the helicopter had brought an unexpected official visitor. What they got was a different sort of surprise. As the chopper set down on the paving stones, two prisoners dashed out of Cell No. 10. The men were airborne in less than two minutes. One of the most enterprising jailbreaks in modern times had been accomplished without a shot being fired.

The more notable of the two escapees was Joel David Kaplan, 44, a New York businessman and nephew of Molasses Tycoon Jacob M. Kaplan, whose J.M. Kaplan Fund was named in a 1964 congressional investigation as a conduit for CIA money for Latin America. The younger Kaplan had been convicted in 1962 for the Mexico City murder of his New York business partner, Louis Vidal Jr. Kaplan claimed at the trial that Vidal, who had been involved in narcotics and gunrunning, had



ARMED BOLIVIAN MINERS ARRIVING IN LA PAZ  
"You'll have to carry me out."



KAPLAN WITH BONNIE SHARIE (1958)  
A different sort of surprise.

constructed an elaborate plot to disappear. The murder victim, Kaplan maintained, was not even Vidal, and indeed, serious doubts were raised about the body's identity. When Kaplan took it on the lam, he was accompanied by Carlos Antonio Contreras Castro, a Venezuelan counterfeiter.

The escape plans had apparently been completed the day before when an American man visited Cell No. 10 and looked over the prison yard. He was accompanied by both men's wives. (Kaplan had married a Mexican woman—the only way he could have visitors, he said—without bothering to divorce New York Model Bonnie Sharie.) After the escape, Kaplan and Castro switched to a small Cessna at a nearby airfield and were flown to La Pesca airport near the Texas border, where two more planes awaited them. One flew Castro to Guatemala; the other flew Kaplan to Texas and then on to California. Kaplan used his own name when he passed U.S. customs at Brownsville. Both the helicopter, which was later found abandoned, and the Cessna had been bought in the U.S., at an estimated cost of \$100,000.

No James Bond. At week's end neither man had been caught. Kaplan's Mexican attorney declared that his client was a CIA agent and that the rescue had been engineered by the agency. But a spokesman for Jacob Kaplan pooh-poohed all that. "People are determined to substitute James Bond for the Kaplan family name," he said, though he could offer no explanation of just who had carried out the spectacular stunt. In Mexico, meanwhile, Attorney General Julio Sánchez Vargas was forced to resign, and prison officials and all 136 guards were arrested for questioning. The movie, after all, had been the first shown at the prison in two years.

## SOUTH AFRICA Red Carpet for a Black Man

Students at Stellenbosch University near Cape Town stood, applauded, and sang *Lank Sal Hy Lewu* (Long May He Live), the Afrikaans equivalent of *For He's a Jolly Good Fellow*. Surprisingly for South Africa, the object of their hearty tribute was a black man. Dr. Hastings Kamuzu Banda, President of the tiny African state of Malawi. Last week Banda concluded a five-day state visit to South Africa; he was the first black President ever to visit the white-dominated Republic and the first chief of any foreign state to come calling since England's King George VI turned up in 1947.

From the moment he stepped out of his Air Malawi BAC-111 jetliner to receive a 21-gun salute and a red-carpet greeting from South Africa's State President Jim Fouché, the emotional Banda seemed delighted to be there. Hustling over to a crowd of waiting Africans, he waved his fly whisk, made from a wildebeest's tail, and shouted in Fanagalo, the language of the South African gold mines, "Kamuzu is glad to be here." Later Banda led South African officials on a tour of the mine offices where he had worked as a youth 50 years ago. "It hasn't changed much," he noted. "They still have fish on Wednesdays."

**Clicking Heels.** Throughout the visit, Banda displayed the same amiable zest. "Stop! Stop!" he shouted once, bringing his motorcade to such an abrupt halt that a member of his delegation was slightly injured in the pile-up (and was treated in a "whites-only" hospital). Undeterred, Banda threw his arms around two white children, shouting "I love you. I love you."



MALAWI'S BANDA  
Odd man out?

How did South Africans react? "The blacks are intrigued," reports *TIME*'s Peter Hawthorne, "delighted with the pomp afforded Banda and perhaps secretly amused that one of them could have whites clicking their heels. The whites are wryly interested, privately a bit cynical, but when confronted with the whisk-waving Banda, gleefully cavoring like a black leprechaun, they tend to be shy, a little confounded, but ultimately pleased to have shaken his hand. As one government official observed at a state banquet in Banda's honor, 'Suddenly South Africa isn't the same any more.'" For South Africa, the Banda visit was a milestone in Prime Minister Balthazar Johannes Vorster's "outward-looking" policy of seeking rapprochement with Black Africa. For Dr. Banda, who is sometimes called "Africa's odd man out," the trip enhanced his chance of receiving a \$17 million loan for a new airport.

**Commitment to Liberation.** Banda, who defied the 41-nation Organization for African Unity to make the trip, attempted to justify his visit by declaring, "If we do not agree and we do not meet, how are we going to resolve our problem?" But the visit still evoked considerable antagonism in much of Black Africa. Tanzania's government paper, *The Standard*, urged the O.A.U. to expel Malawi, adding that the trip would "further alienate Banda from all those who believe in the equality of man." In Kenya, the *Daily Nation* declared that Banda's visit, if followed by those of other African leaders, would "set into motion a train of diplomatic events that may well make nonsense of Africa's commitment to the liberation of the millions of black people who still live under colonial or racist subjugation."

Even before Banda's trip, Black Africa's solidarity was not all that solid. Four small black states in southern Africa, as well as the island nations of Madagascar and Mauritius, now have formal diplomatic or trade links with Pretoria. The leaders of a few others, notably the Ivory Coast's President Félix Houphouët-Boigny, have advocated a "dialogue" with South Africa. Such talk is heard mostly in former French colonies and is quietly encouraged by Paris, which seeks African support for its own efforts to increase trade with Pretoria.

By itself, the Banda visit does not mark the beginning of closer relations between Black and South Africa. But South Africa itself is slowly changing, as more and more South Africans realize that *apartheid* laws are stifling growth and hurting business at home—as well as largely barring them from a huge potential market to the north. Now, having seen their Prime Minister seated at a banquet table between two black ladies from Malawi, the South Africans may have taken a cautious step toward a more civilized future.



## A Talk with Golda Meir

THE big guns of Israel and Egypt have been silent along the Suez Canal for more than a year now. Last week, as the cease-fire that has preserved a tense and tentative peace in the region moved into its second year, TIME Correspondent Marsh Clark talked to Israeli Premier Golda Meir in her Jerusalem office about the outlook for negotiations and the possibilities for a lasting peace. The interview preceded Defense Minister Moshe Dayan's call for Israel to consider itself the "established government" of the Arab territories occupied during the 1967 war. Premier Meir later dissociated herself from that suggestion, but nonetheless she showed little inclination to depart from Israel's tough-minded stance on the question of withdrawal without secure borders. Her comments provided a sharp reminder of how little progress has been made toward any lasting peace.

**Q.** Mrs. Meir, at this point in time, a year after the cease-fire went into effect, how do you assess the outlook for war or for peace?

**A.** The cease-fire in itself is something that we welcome. Anything that will do away with the shooting. But we hope that the other side will also come to appreciate the fact that it is better to continue the cease-fire than to reintroduce it after shooting begins again.

**Q.** Is the interim solution involving the reopening of the Suez Canal still alive, or are we flogging a dead horse?

**A.** As far as we are concerned it is alive. We, at any rate, are anxious for the negotiations to succeed.

**Q.** What would be the elements in such an arrangement?

**A.** The fundamental desire to have peace between Egypt and Israel is the main thing. The forces are there, and they are separated by a body of water, a very important separating element. Now, as for the idea that this exercise involves our moving from the canal, it doesn't make any difference how far (and it won't be too far). No sooner will we move than Egypt's armed forces will come over. It is so ridiculous—illogical. Instead of having a further separation of forces, they would be closer.

**Q.** This is a main sticking point, the number and character of the Egyptians on the east bank of the canal?

**A.** Not the numbers, the very crossing of the canal by armed forces.

**Q.** What about civilians?

**A.** Of course we agree that those who are necessary to clear the canal and operate it can be there. No more shooting, though. That element is vital. There must be no military forces crossing the canal.

**Q.** Is that the major sticking point?

**A.** It is one. Another major one is

no more shooting anywhere. Both of us have to declare that there will be no more shooting.

**Q.** But there hasn't been any shooting for the past year.

**A.** That is true, but we don't want to be served a new date every so often. What did [Egypt's President Anwar] Sadat do? He destroyed every constructive element in this proposition. First, he proposed that the Egyptian armed forces cross the canal immediately. Secondly, he gave us a cease-fire for six months. And during these six months he will clear the canal. During the six months, according to his recipe, [United Nations Mediator Gunnar] Jarring has to work out a timetable for our moving back up to the international border.

DAVID RUBINER



PREMIER MEIR

And if that isn't done, they begin shooting. Where do they begin shooting? Not when they are on one side of the canal and we are on the other, but when we are both on the same side. Or maybe Sadat will say the canal is not important, that what he wants is to get Israel back to the 1967 border. This is exactly the crux of the matter. If Israel decides to withdraw to the 1967 international border, we don't need to do it in stages. If we were to come to a decision we would pack and move to the international border. And he can have the canal cleared or not. We are not responsible for that. The question of where the border should be, the final border, is a question to be decided by negotiation between the parties. We have always said an "agreed border."

**Q.** You have just given a very pessimistic assessment. Do you think there is any expectation that something can be negotiated, interim or otherwise?

**A.** We don't want any more than

this. We demand for ourselves boundaries that we believe are safe for us and that we believe can deter a next war. What we want are two things. If and when we are attacked, the borders should be such that we will have fewer casualties. Even more important, the borders should be such that every Arab leader who takes it into his mind to attack us will look at them and say, "Ah, that is difficult, maybe we won't do that." That is all.

**Q.** Somehow to the public eye, at least in the U.S., the impression is that Israel is intransigent.

**A.** Sure we are intransigent when we face a situation in which Sadat says "peace," but the condition for peace is no negotiations, and we go right back where we came from. There is something else that is absolutely immoral, because it never happened before in human history—the inadmissibility of acquisition of territory by force. How many around the table of the Security Council can really stand up and swear they have never done it, never without provocation of war, never held any other territory?

**Q.** In your view, do the turbulence in the Arab world and the apparent inconstancy of the Arab leadership constitute a barrier, mental or otherwise, to negotiations?

**A.** No. But I think they strengthen our conviction that we are obligated to do everything we can from a security point of view because we never know what is going to happen on the other side. I think the crux of the difficulties of peace in the Middle East is the introduction of an imperialist power in this area. That is the Soviet Union. I honestly believe the '67 war would not have taken place had it not been for the Russians.

**Q.** Assistant Secretary of State Joe Sisco was here and presumably had thorough discussions with the government. Do you feel that the prospects for meaningful negotiations were enhanced by your discussions with him?

**A.** There is always something positive in discussions among friends. Even when there is disagreement. And from that point of view, we welcomed the discussions with Mr. Sisco, as we did those in May with Secretary Rogers, and we are anxious for these discussions to go on.

**Q.** You seem to grow stronger and thrive on responsibility. Will you stand for re-election?

**A.** If I stand for election again in 1973, I'll be 75 years old. A career doesn't begin at 75. I have had quite enough. My children have been here from Tel Aviv for three weeks in my house, and I haven't had one day with them. It is almost barbaric. I always say that anyone who wants to be Prime Minister in Israel deserves it.

## PEOPLE

New York City Mayor John Lindsay, freshly Democratic, strolled in his shirt-sleeves through a black neighborhood in Brooklyn, got an unenthusiastic reception, and heard some griping about the city's low-income housing programs. Seizing on a momentary point of agreement with one critic, the mayor shouted "Right on!" and beat a hasty retreat. "Perish the thought!" Lindsay exclaimed when reporters asked if his second consecutive day in the Brooklyn streets heralded the start of a presidential campaign. "I don't know how you could possibly arrive at such a conclusion."

On tour to parcel out 4,200 acres of Government land for public use, Pat Nixon was ambushed in Minneapolis by a group from the American Indian



PAT NIXON & SURFER  
Thanks from the sea.

Movement who yelled "Squatter" and waved placards claiming the land really belongs to the Indians. "Well," said Pat, smiling wanly, "we have a few friends here. Thank you for coming." Outside San Diego, the smile came easier when a dripping, bare-chested surfer appeared to thank the First Lady for the beachfront real estate.

"Little more than an artless potholer," criticized the newspaper of Brigham Young University in Provo, Utah, after viewing film Producer Stanley Kramer's *Bless the Beasts and Children*. The Mormon Church, which operates the school, was more critical. It banned the film, objecting to its strong language and shots of youngsters urinating and masturbating. Kramer took an ad in the Salt Lake City *Tribune*, accused the Mormons of trying to "block out ideas and

the right of discussion," pleaded that his film merely has things to say about gun control and killing. "Some," read Kramer's ad, "have even compared it to Kent State."

"I don't like myself," says Marcello Mastroianni in a lavishly self-flagellatory article in the September *McCall's*. "I never did, even physically. I don't like my body when I look at myself naked. These childish legs and arms. I don't like my face, with this short nose and these fleshy lips. I'm cute. And a man must not be cute." Other admissions: "I'm ignorant. After ten pages of a book, my eyes close. I can't even read the newspaper. After ten pages with American women. They're too perfect; their paradise of honesty doesn't excite me a bit. It's good only for unisex." Mastroianni is equally hard on Italian men: "We bore women with our insistence, our enthusiasm, our generosity. Except we get exhausted very soon."

While the 65 youngsters scrambled around an old island fortress off the coast of Plymouth, England, and took lessons in sailing, rock climbing, canoeing and camping, they were watched from shore by Secret Service agents peering through binoculars. A youth conspiracy under scrutiny? Actually, the watchers were agents assigned to protect ten-year-old John F. Kennedy Jr., who with his cousin Anthony Rodziwill had enrolled for two weeks in the youth center for the standard fee of \$75 a person. "I'm not sure why Mrs. Onassis decided to send him to us," said an official of the center, "but we are getting quite well known abroad for the course."

"We must give the North American volleyball team a very polite welcome," said Premier Fidel Castro during a 55-minute speech. "They are representatives of the North American people, not their government. No one should compare their trip here with Yankee imperialism." Meanwhile the U.S. volleyball team, in Cuba for a series of warmup games for the 1972 Olympics, was getting a glimpse of life behind the Sugar Cane Curtain. One bit of information gleaned from the Cubans by Team Physician Dr. Robert Pike was the reason Castro's speeches are so long. "They told me that Castro realizes he is trying to reach people, many of whom cannot read or write," Pike said. "The only way he can get them to understand what he is saying is by repetition. In a way, that makes sense."

For eight years, on TV and in the movies, Harold J. Smith was known as Tonto, the bass-toned sidekick of the Lone Ranger (played by John Hart). But now Smith has assumed a more authentic Indian name. "Jay Silverheels is a translation of my Indian name," he explained after having it legally



TONTO & LONE RANGER  
Back to the original.

changed, "and since I'm an Indian, I've never seen a reason why I shouldn't use it." His grandfather became a Smith. Silverheels noted, when Indian officials advised members of the family to change their names "so that they wouldn't be signing papers 'Bird Sitting on the Grass' or 'Cow Jumping Over the Moon.' Mother preferred Smith, but now she's in her mid-eighties and doesn't care any more."

Holy skulduggery! Or possibly, holy infringement! Glee! At the very least, *Batman* and *Robin* think that they have been wronged by Big Business, and their response has been uncharacteristically undramatic. Resorting to the courts rather than their fists, Actors Adam West (*Batman*) and Burt Ward (*Robin*) contend that the American Broadcasting Co. and 20th Century-Fox among others never paid them their share of the profits from the sales of \$300 million worth of *Batman* sweaters, T shirts, toys and other bits of fledermausian frippery that were inspired by their TV series. Their asking price: \$2,000,000 in compensation and \$4,000,000 in punitive damages—which is hardly guano.

ROBIN & BATMAN



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So we'd sound better than all those other stereo systems you have heard about. And to give you a good reason to listen to us.

Take records. Put a hard rock album on our BSR automatic mini-turntable. Or any other record that would make

demands on a good system. Listen to how well our system can reproduce the high-pitched guitar riffs and the low, heavy organ rolls through its two acoustically matched speakers.

Switch over to the radio. A great stereo system will pull in stations clearly, without distortion. Ours does. And its solid-state circuitry is powerful enough to get all your favorite AM and FM stations.

All these things were put into this system because we had to make it sound better. And we had to do the same with every one of our 12 component systems. That's more stereo systems, by the way, than you're likely to find anywhere else. We had to do that, too.

You'll be glad to know we stand behind every one of our component systems. In fact, good service and concern for

product quality are traditions with JCPenney, and extend to everything we sell.

It's also nice to know you can use our Time Payment Plan. That's an advantage most other stereo systems can't give you.

Think about it. By not hearing about us until now, you've actually gotten a lot more. Because we had to do so much to make ourselves sound better.

Come hear for yourself. Any time.

At JCPenney, the values are here every day.



**JCPenney  
STEREO SYSTEMS**

**WHEN NOBODY'S EVER HEARD OF YOU,  
YOU'D BETTER SOUND BETTER.**

## ENVIRONMENT

### The Threatened Coastlines

*We passed directly under the high cliff and stood into the middle of the bay, from whence we could see small bays, making up into the interior, on every side; large and beautifully wooded islands; and the mouths of several small rivers. If California ever becomes a prosperous country, this bay will be the center of its prosperity.*

—Richard Henry Dana Jr.

CALIFORNIA has become a prosperous country, and San Francisco Bay, so lovingly described by Seaman Dana in *Two Years Before the Mast*, is the focus of West Coast commerce. But

environments that make up the North American ecosystem. Coastal areas, for example, provide the habitat and food for thousands of species, many of which find their way to the dinner table. "An acre of marshland produces more protein than an acre of corn," says Edward Daly, chief of the wetlands division of the Connecticut department of agriculture and natural resources. "And," he adds, "it acts as a sponge. In rough weather, high water, a hurricane, the wetland reduces flood damage."

But coastal wetlands and estuaries are being increasingly threatened by man's onslaught: between 1950 and

creasing shellfish harvests in the Penobscot region.

NEW YORK AND NEW JERSEY suffer most from overpopulation. More than 16 million people are squeezed into the New York City-northern New Jersey corridor, and almost all of them use New York Harbor, Long Island Sound and the Hudson River as convenient dumping grounds. New York City's nearly 8,000,000 inhabitants continue to overwhelm existing facilities; the uncontrolled runoff of sewage has covered 40% of the harbor bottom with sludge. Complicating matters is the fact that there may be as much undiscovered oil lying off Long Island, where 42 oil companies are now involved in exploration, as there is on Alaska's North Slope. If oil is found and exploited, warns the environmentalist Committee for Resource Management, "Long Island could have a solid string of ghost beaches."

CHESAPEAKE BAY is considered unique among the world's estuaries for its size (20,000 sq. mi.), complexity and productivity. Best known for its oysters, it also teems with crabs and striped bass. It is a major wintering-over place for migratory fowl and shore birds; enormous flocks of ducks, geese and whistling swans home on its waters each year.

For all its natural beauty, however, the Chesapeake is also threatened by man. Wastes poured into the upper reaches of the Susquehanna have begun to pollute the river. Continuing discharges into the river will flow into the bay, disrupting its ecological balance and leaving it as toxic as the estuaries adjacent to Manhattan.

SAVANNAH, GA., is a river city near the coast that has been restored to its antebellum splendor—except for its bustling port. In fact, so passionately did city fathers court a giant paper mill during the 1930s that they obligated the city to "protect and save" the mill "from any claims, demands or suits for the pollution of air or water." In the event of a suit, the city agreed to pay the first \$5,000 of the company's legal costs. Today the paper mill has been joined by a clutch of chemical companies and other industries. One chemical company alone dumps 690,000 pounds of sulfuric acid daily into the Savannah River, occasionally causing the water to boil, seethe and emit the malodors of hydrogen sulfide and methane gas. The Savannah has become so polluted that not even hardened beach bums will swim in it.

FLORIDA's problem is people, "all of them attempting to build on the beach or as close to it as possible," says Durbin C. Tabb, an ecologist who teaches at the University of Miami. Untreated sewage has so filled south Florida's crowded ocean front that the bacteria count sometimes is three times higher than the count that federal health authorities con-



RUSTIC OCEAN FRONT IN MAINE  
Caught between population and industry.

the Bay has paid a heavy price for its material wealth. It is now one-third covered by landfill; the surrounding hills are blanketed by houses and newly rising skyscrapers; its waters are threatened by pollution. Other U.S. shorelines, along which about 75% of the population and nine of the nation's largest cities are located, are suffering the same environmental deterioration. If Dana were to retrace his 19th century Boston-to-San Francisco voyage today, he would find much of the U.S. coastline spoiled by pollutants of one sort or another. The Department of the Interior reports "severe to moderate" modification of 73% of the 53,677-mile U.S. tidal shoreline.

**Complex System.** Appalled by such widespread pollution, ecologists are more determined than ever to save the nation's shorelines and estuaries. They have begun to appreciate more fully the importance of coastal areas in the complex interaction of the land, air and sea

1969, almost 650,000 acres were lost to dredging and filling. According to the Natural Estuary Study compiled by the Interior Department, more than one-fourth of the 1,400,000 acres designated as shellfish areas are polluted. An area-by-area survey made last week by TIME correspondents indicates that the despoliation continues unabated.

NEW ENGLAND's ruggedly beautiful shoreline, sliced by scenic rivers, bays and estuaries, is caught between the pincers of population and industry. More than 75% of the region's 11,847,186 inhabitants live in cities, and most of those cities and their industries are situated along the coast. Their effluents are fouling the water. Untreated sewage and industrial wastes discharged into portions of the Penobscot River in Maine have created sludge beds in the river and bay, and the oxygen levels of the water have been drastically reduced. This, in turn, is believed to be responsible for de-

Effluents from a nearby plant clog Washington's Bellingham Bay.







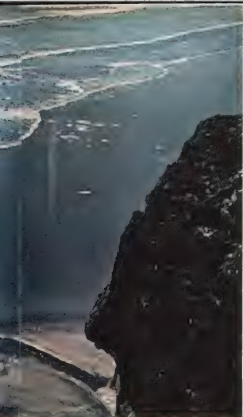
Washington's Quinault Indian reservation includes miles of rugged coastline, which the tribesmen war



On Alaska's Prince William Sound, Valdez town dump.

Houses crowd by man-made canals  
in Newport Beach, Calif.

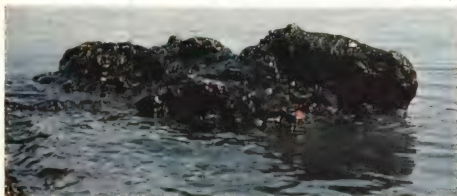




to preserve forever in its natural state.



Industrial plants line the Kill Van Kull in New Jersey.



Thick black oil coats a rock near refineries served by Houston Ship Channel.



Ship plows up a bubbly wake of detergent froth near Houston.

Their surroundings washed away, houses on Grand Island, La., stand high and wet.





sider hazardous. More than 50 million tons of untreated sewage is spewed from the cities of Miami Beach and North Miami each day, turning the shoreline into a stinking mess that Floridians bitterly call "the Rose Bowl." Sludge and fecal matter choke the Miami River to a depth of 12 ft. Calling present plans to cope with coastal pollution "grossly inadequate and ineffective," a state report has warned that Florida could become uninhabitable within 30 years.

**GRAND ISLE, LA.**, has a special problem. Houses that once perched storklike on stilts above the land now sit in the waters of the Gulf of Mexico; the earth beneath them has washed away. Ecologists blame the erosion on dikes built along the Mississippi River which have diverted the flow of sediment that used to replenish beaches eaten away by the Gulf. If the erosion is not stopped, water from the Gulf may soon slice through State Highway 1, leaving 2,500 Grand Isle residents stranded.

**TEXAS'** 3,350-mile tidal shoreline is dotted with oil refineries and chemical plants. So bad is industrial pollution along the Houston Ship Channel—a 50-mile-long passage from Houston to the Gulf—and in Galveston Bay that the Environmental Protection Agency openly attacked the Texas Water Quality Board last June. In a 200-page report, the EPA charged that oil and hydrocarbon residues, fecal matter and toxic metals in those waters are all grossly in excess of natural background levels.

**THE WEST COAST** generally fares better than the East. For one thing, except for the densely populated Southern California coastline, the Western seashore is sparsely settled. For another, much of the coast lacks the complicated riverine-estuarine system of the Gulf region and the Atlantic Coast. There are, for example, few natural harbors along the shoreline that would draw heavy industries. But Southern California already seems an ominous portent of the coastline's fate. A huge population, temperate weather and a vast expanse of ocean frontage have turned much of this area into a Miami of the West. Bays and marshes have been filled in to make room for more houses and marinas, and oil spills have stained the white sand beaches. Landfills are particularly destructive because they eliminate rest stops for migratory birds.

In Northern California, Oregon and Washington, where headlands sweep down to meet the pounding surf of the Pacific, the coastline is relatively pristine. But change may be coming: flotsam from paper mills has already fouled Washington's Bellingham Bay, electric companies dream of huge atomic plants cooled by the waters from the ocean, and developers see the region as a site for endless rows of vacation homes.

Still, there are encouraging signs that both government and individuals are becoming aware of the importance of preserving the ecology of their coastal areas. Six states have effective legislation that calls for the protection of coastlines; several others are considering such laws. One of the most stringent statutes enacted to date is Connecticut's, which imposes a \$1,000-a-day fine on violators who dredge and fill wetlands without a permit, and makes them foot the bill for restoring the coast to its natural state. Delaware Governor Russell W. Peterson was concerned enough about his state's relatively clean shores to promote and sign into law last June a bill that prohibits heavy industry from locating new plants along the coastline. Fed up with New Jersey's polluted shores, which are among the dirtiest in

TONY LINCE



GOVERNOR PETERSON ON DELAWARE BEACH  
Concern turned to action.

the nation, Governor William Cahill last June signed a law that requires the dumping of sewage sludge and industrial wastes at least 100 miles out at sea.

Indians of the Quinault tribe in Washington State went a step further. Two years ago they had had enough of vacationers, who defaced sacred rocks with spray paint and ruined the beauty of their beaches with tons of litter. So they closed the 25-mile stretch of beach and wilderness area on the Olympic Peninsula to all nontribal people. No TRIPASSING signs were backed up by Quinault patrols. Today the beach is still unspoiled—and the Quinaults aim to keep it that way.

**Beautiful Cumberland.** One of the greatest environmental treasures remaining to the nation is the brief, marshy Georgia coastline between Savannah and St. Marys. The jewels of this region are the unusual "barrier islands" and particularly Cumberland Island, which was recently designated a national seashore area. There was good reason for preserving it. Wild horses and

Hereford cattle graze on hardened marsh spits; flocks of egrets and herons roost on bleached dead oaks; pigs and white-tailed deer roam through sand dunes and forests filled with jungle-like vines. A sparkling white shoreline stretches as far as the eye can see.

Not every state can have a Cumberland, but many would like to try. And the Federal Government is now lending a helping hand. With the Congress, the Administration is trying to strike a balance between preserving U.S. shoreline areas as priceless natural resources and allowing carefully regulated maritime and industrial development. Some wetlands experts have suggested "single use" laws for coastal areas; industry in a given state would be concentrated in one shore area, people in another and wildlife in yet another.

What is needed most to ensure protection of the coastlines is legislation enforced uniformly in all coastal states; bills introduced recently in the House and Senate to control ocean and offshore dumping are a start in the right direction. The House bill, for instance, requires permits for dumping and imposes penalties of up to \$50,000 on violators, with each day of violation considered a separate offense. There is urgent reason for speedy enactment. In the 15 months it took to draft the House bill, New York Representative John M. Murphy has reminded his colleagues that the nation's tidal lands have soaked up 62 million additional tons of industrial wastes and human excrement and materials dredged up from rivers and harbors.

## Washington's Clean Air Cares

Under the Clean Air Act of 1970 Detroit has until 1975 to clean up automobile emissions, the prime source of smog in the nation's skies. As if to set a good example for the automakers, the Government has already begun practicing what the Act preaches. The General Services Administration, which is responsible for the maintenance of 54,000 federally owned vehicles, has converted 1,023 of the autos so that they now use compressed or liquefied natural gas, or butane and propane for fuel. The change reduces the autos' air pollutants by nearly 90%. Eventually the entire federal fleet may be converted to the new fuels.

**Expensive Thermos.** Natural gas is cheaper (about 3¢ less a gallon) than regular gasoline, but converting an automobile to use liquid natural gas is an expensive operation: \$625 to \$750 per car. The major cost is for the tank that holds the gas, a complicated thermos-type bottle into which the liquid gas is poured at -259°F. A tank pressure of 70 lbs. per square inch forces the liquid into a combination pressure regulator and heat exchanger. The heated gas is then mixed with air in the carburetor and flows into the cylinders, where it burns more completely than ordinary gasoline vapor.

## THE PRESS

### Assessing the New Nixonomics

Coming as it did on a Sunday night when the presses were already rolling, President Nixon's surprise announcement of a turnabout in economic policy (see *THE ECONOMY*) presented a special problem for weekly publications. *New York*, for example, had already completed its press run of 333,500. Even as the stock market soared briefly in what was called "the Nixon Rally," *New York* appeared on the stands with a cover cartoon of Nixon fiddling à la Nero while the Stock Exchange burned. Inside was a six-page feature on "Wall Street's Case Against Richard Nixon."

*Newsweek*, on the other hand, elected to replate, compelled in part by the fact that its Periscope section had gone to press Saturday night with the news that "if Mr. Nixon decides on a wage-price freeze, he will wait until next year." As it was, nearly half a million copies carried that message; 2.3 million others were distributed 24 hours late with the Periscope section killed, ads and artwork reshuffled, and a four-column story on Nixon's new economic moves.

**Flexed Muscles.** The Sunday night announcement was no problem for U.S. dailies—except that it took an extra day for their editorial writers to react. When they did, the consensus was overwhelmingly favorable. The Philadelphia *Inquirer* praised "an act of courage and statesmanship unparalleled by any U.S. chief executive for at least a third of a century," and the Baltimore *Sun* approved "an activist flexing of government muscles not seen since the early Roosevelt experiments." "No longer," noted the Miami *Herald*, "is the American economy all sail and no rudder." Cartoonists portrayed Nixon variously as a parody of Roosevelt, ministering belatedly to a crippled economy, or carping at

his critics before television cameras.

Even the President's persistent detractors seemed impressed. "We applaud the scope and daring of his effort to bring inflation under control and to get the economy off and running," said the *New York Times*. On inflation and the balance of payments, observed the *Washington Post*, "the President has probably chosen the course of action most likely to be effective."

Both papers, however, hedged their praise: they thought the new fiscal policies would not be equally beneficial to all. The *Times* noted a "significant shift in benefits to business as against other groups in the society, especially when combined with the postponement of outlays for welfare reform and revenue sharing." The *Christian Science Monitor* joined the chorus and said that the higher-income classes would suffer least, "while the poor will have to postpone their hopes for financial betterment." The *Monitor* also declared itself "concerned by the overtones of economic isolationism" in the new policy.

Other concerns were expressed elsewhere. The Los Angeles *Times* worried "whether we might be starting down the road to a permanently regimented economy," and the Detroit *News* was wary of "economics by decree." Though a temporary wage-price freeze may be necessary, said the *New York Daily News*, "we should resist all efforts to make it everlasting, with a swelling horde of bureaucrats striving to enforce it." The Chicago *Tribune* judged the freeze "probably inevitable," but warned it was "neither a guaranteed nor a permanent solution." The *Trib* regretted "that the two unions [steel and railroad] that triggered the freeze should escape its effects."

Pointing out the risks Nixon is taking "with his own traditionally con-

servative party through this daring reversal," *Chicago Today* declared: "That's statesmanship." But Nixon reminded the Louisville *Times* of the girl who, "protesting she would never consent, consented. In his new economic plan he is doing what he said he did not want to do and would not do." *New York Times* Columnist Tom Wicker described the role of Treasury Secretary John Connally in the policy switch as a "virtuoso performance" and foresaw "a remarkable Republican ticket next year, featuring one man who looks like Richard Nixon and another who sounds like Lyndon Johnson."

Overseas, editorial reaction concentrated on the free-floating dollar and the import surcharge, particularly in nations that are big U.S. trading partners. West Germany's normally reserved *Süddeutsche Zeitung* blasted Nixon's program as a "declaration of war in trade policy." Tokyo's *Asahi* complained that Japan would have to make "drastic concessions," and Hong Kong's *South China Morning Post* said "Nixon's economic fusillade threatens to be the biggest single blow to world trade short of a nuclear attack."

**Wishing Well.** In London, the *Daily Telegraph* noted that the Nixon approach was "self-evidently protectionist and as such invites retaliation." Warned the *Times*: "The danger which has to be avoided at all costs is a general retreat into economic blocs divided by trade barriers and monetary restrictions." But Amsterdam's *De Telegraaf* praised U.S. policy: "Americans attack the cause of the illness. We Dutch should follow their example."

*Wall Street Journal* Editorialist David C. Anderson wished the President well, then added a sober warning: "At this point in our history, the people are going to keep their eyes on the ball; they will not—and in a sense should not—care how the game is played, but whether or not it is won."



"Mah-h friends..."



"You won't have Nixonomics to kick around anymore."



"You're Lucky I Happen To Be Here."



## Are you the Volkswagen Type 3 type?

Don't let the fact that this car might look like Indy 500 material throw you off the track.

These racing stripes are a con. That sports car back is a front.

The Volkswagen Type 3 can no more fly down a racetrack than it can fly through the clouds.

What, then, can it do, and who, then, is it for?

If you're more concerned with slowing down than speeding up, it has standard front disc brakes.

All 4 wheels are independently suspended so it holds the road better when cornering.

It has the most advanced system of distributing gasolene in the engine, electronic fuel injection.

Shifting on the VW Type 3 is less sticky: 4-speed synchromesh transmission is standard.

And in keeping with Volkswagen standards, it gets around 26 miles to a gallon of gas, uses very little oil, and even less water or antifreeze—none.

But contrary to Volkswagen tradition, it isn't bad looking. In fact, equipped with all the options as you see it in the picture, you can make it look like the menacing, overpowering creature of the road that it isn't.

So if you're looking for a racy little sports car, look somewhere else.

If you're in the market for just an economy sedan, this isn't it.

But if you're the type who wants a racy, economical, little, sporty sedan, eureka!



## MODERN LIVING

### The Great Ghost Haunts

Though the Monster of Glamis looked like a flabby egg—no neck and vestigial arms and legs—he was immensely strong. Of necessity he was confined in a special room in Scotland's Glamis Castle. Born about 1800, he died in 1921, and his spirit still haunts the castle.

This spooky legend is only one of many detailed in a newly published English book called *A Gazetteer of British Ghosts*, which seems to document Author Peter Underwood's contention that "there are more ghosts seen, reported and accepted in the British Isles than anywhere else on earth."

**Little Gray Lady.** That boast could be made about Glamis Castle alone if the *Gazetteer's* listings are to be taken on faith. Within those walls, for instance, are the ghosts of a little gray lady who appears now and then in the chapel, a pair of 15th century noblemen damned to play dice forever in the castle tower, someone who used to whip bedclothes off sleepers, and a woman without a tongue who runs across the park every night pointing in

dumb anguish to her wounded mouth.

But Glamis is far from unique. Author Underwood's high-spirited book provides equally fascinating lore about Britain's other haunts. It tells which ghost is working which castle, describes the author's own investigations of the ectoplasmic phenomena, and, at the end of each of the 236 reports on haunted sites, lists the name of a comfortable nearby hotel.

A ghost hunter of long standing, Underwood has presumably stayed overnight at most of the hotels and for ten years has been president of the Ghost Club. The exclusive organization was founded more than 100 years ago to report and investigate reports of hauntings. Does he really believe in ghosts? "I am quite certain," Underwood says, "that I have spoken to many people who are genuinely convinced that they have seen apparitions, phantoms, specters, spirits, ghosts—call them what you will."

Britain's ghosts, reports Underwood's book, are nowhere busier than in London. The Bank of England, for example, has a resident ghost: the Black Nun. Several London theaters have

ghosts, most notably the Theater Royal on Drury Lane, where the good-looking "man in gray" floats into view—but only during the opening nights of successful productions. Westminster Cathedral, which was long ghost-free, reported its first spook in 1966, but Kensington and St. James's palaces and Windsor Castle have much longer ghostly histories, and the bloody Tower of London has been plagued for centuries.

**Analyzed Spookery.** A surprising number of the ghosts vetted by the *Gazetteer* are anything but evil: there are legions of priests chanting liturgies, for instance, and distraught gentlemen who specialize in vanishing into walls. Yet there is enough sheer horror to send chills through the stoutest cynic. One example is a thoroughly detailed struggle with a "malevolent thing"—endured in the early '20s by Author Beverley Nichols and his friend Lord St. Audries in a dilapidated house in Torquay, Devon. Underwood also deals at length with the carefully analyzed spookery at Borley Rectory, Essex. Before the house was destroyed in an appropriately mysterious 1939 fire, several researchers who spent many days and nights investigating the strange goings-on at the rectory reported unexplainable experiences involving fig-

### Put On a Happy Face

WHEN injured New York Jet Quarterback Joe Namath was wheeled into a press conference at New York City's Lenox Hill Hospital last week, he wore two smiles. One was his own. The other was pinned onto his shirt. It was a Smilie button, bearing a simple face that in recent months has become one of the most familiar in the U.S.: a pair of oval black eyes over a happy up-turned mouth.

The Smilie face beams out from sweatshirts, T shirts and even brassières. It appears on watches, cigarette lighters, necklaces, on gold cuff links that

sell for \$80 at New York City's Bergdorf Goodman, and on auto bumpers—sometimes above SMILE, GOD LOVES YOU stickers. The Smilie was the theme of a *Look* magazine promotion campaign early this year, and was used as a temporary trademark by Good Humor. Bohack supermarkets and Presidential Candidate George McGovern.

Where did it all begin? No one seems quite sure, but Ken Fairchild of New York City's radio station WMCA has a theory. In 1964, he recalls, WMCA created a Smilie similar to the current version as part of a promotion campaign for the Good Guys, the station's disc-jockey team at the time. "Ours had a few wisps of hair on the top," he recalls, "and I think it was cuter." WMCA handed out thousands of Good Guy sweatshirts during the 1964-66 period and a few still can be seen around the city today. One of them may have inspired the artists of the N.G. Slater Corp., which caused the smile epidemic when it began producing Smilie buttons two years ago. After a slow start, the design suddenly took off this year, and several million buttons have already been sold. "People are looking for an excuse to smile," explains Marketing Director Robert Slater, "and anyone can wear it. Smilie's not right-wing or left-wing. He appeals to everyone." And, Slater adds, putting on a happy face, "it is our biggest button of the decade."



SMILE ITEMS ON DISPLAY IN MANHATTAN

THE FAMILIAR FACE





ures, voices, messages, poltergeists and odd lights. Today, though only ruins remain, strange events still occur at Borley. It is, says Underwood, the site of "the most haunted house in England."

## The Pampered Pets of France

Summer has traditionally been a time of trauma for the pets of France. Left behind by vacationing owners who believe that animals, like some good wines, do not travel well, they have languished in crowded kennels, often going on hunger strikes or catching troublesome diseases. For many French pets, those weeks of anguish are now a thing of the past. For about \$3 per day, a new pet vacation club will find a pet-loving, nonvacationing family that will take in a cat or a dog—or even a parakeet or snake—during the owner's absence.

To assure that Le Club des Animaux de Compagnie will provide a proper environment for the pet, customers must answer detailed questions. "Is your pet on a diet? Is he fussy about certain foods? Is he unable to endure a ringing telephone? Does he sleep at the foot of the bed, in the kitchen, in an armchair?" Data obtained, a kindly club employee picks up the animal and delivers it to a temporary home where in most cases a beast of similar breed but of the opposite sex awaits it. For an extra \$2 or \$3 per day, the pet receives a weekly "toilette" and food delicacies, and the host family\* writes regular reports to the vacationing owner. The club even provides its own version of the Guide Michelin. Cat-housing families are awarded ratings of one mouse, two mice or three mice; and dog boarders get from one to three bones.

**Blanket and Slipper.** Le Club began its career in 1969, after Founder Ferdinand Koos was forced to abandon his vacation because most French hotels were put off by the fact that he planned to bring along his three Great Danes. It now boasts 800 host families and 1,000 satisfied customers. One of them is William Bader, an American foundation official who left his Irish setter, Shenandoah, with the club for two weeks. "When the young driver called for my setter," he reported, "he asked to take along the dog's blanket and an old slipper. When I said goodbye, I felt as if I were sending my son to camp for the first time. When they brought her back, they pointed out she had missed her weekly shampoo—and asked if they could pick her up the next day and wash her."

Le Club's Koos extends the same kind of courtesy to all pet owners. A vacationing Englishwoman stopped in recently with a minipoodle and a problem. "I'm taking the train to Le Havre," she said, "but Fifi doesn't like trains. So could you please drive her to Le Havre?" The club obliged.

\* In addition to the pleasure derived from another pet, the foster owners receive between 60% and 80% of the club's fee.

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## RELIGION

### A Sign of Fear in Rome?

Should the Roman Catholic Church have a constitution? It has existed without one for more than 19 centuries—unless one considers the Gospel of Jesus Christ and the commission to teach that Gospel a constitution. Of course the church has had rules and laws aplenty, an accumulating and confusing morass of canons that were not even codified until 1918. That code is now undergoing a massive revision, and a bloc within the Vatican is asking for a kind of preamble to it that would become a new "fundamental law" for the church—one to which all canon law would have to conform. This *Lex Fundamentalis*, as it

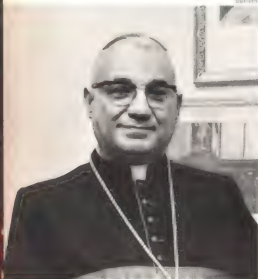
prehesive and, even as the council closed in 1965, he suggested that the church needed a fundamental law to guide it. The assignment of drawing one up promptly went to the commission already at work revising the code of canon law, now under the eye of astute Conservative Pericle Cardinal Felici 60.

Despite Felici's considerable influence in the Vatican (he is often mentioned as the next papal candidate in the next papal elections), the project moved slowly. Finally, after the commission had produced three earlier versions, Felici sent a 9,000-word Latin draft of the law to the 3,386 bishops of the world last February, asking for their comments at summer's end.

**Computer Attack.** Meanwhile, a church historian, Dr. Giuseppe Alberigo, and a team of scholars at the Institute of Religious Sciences in Bologna, also examined the new document and promptly issued a 60-page attack on it. They used an unorthodox but ingenious tool to aid their analysis: a computer. The team fed into it terms from both the proposed *Lex* and Vatican II documents. The computer revealed distinct differences between them. "Although the *Lex* is filled with references to the council," Alberigo charged, "its faithfulness to it is much less real than a superficial reading would indicate." As examples, he cited some 180 references to *church*, most of which were used to mean "an authority different from and superior to the People of God." Of the 24 uses of *supreme*, only one applied the adjective to the greatest of virtues, charity. Mostly the word was linked to papal or ecclesiastical authority.

Alberigo cited other reasons why the draft was unacceptable. Canon 2... of

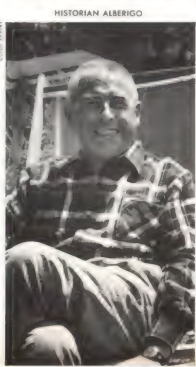
the text states that no one's "good repute" can be injured "illegitimately," implying, Alberigo argued, that persons could be injured "legitimately." This, he said, could lead to a return of inquisitorial processes like the 1968 interrogation of Radical Educator Ivan Illich, then a monsignor, on such charges as "subversive interpretation" of church discipline. Canon 90 declares that the church "has the inherent right to acquire, conserve and administer those temporal goods needed to pursue its proper objectives," a statement, said Alberigo, that sounds like "a group of businessmen defending an international monopoly." In matters of belief, the Bologna professor asserted, the *Lex* reflects no "hierarchy of truth," placing all church teachings on the same level and demanding acceptance of them all



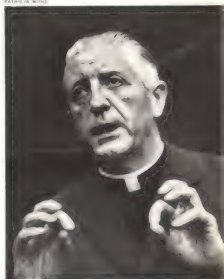
CARDINAL FELICI  
Returning to siege mentality.

is known in ecclesiastical circles, would define the church's nature, its mission, its structure and its place in the world. The proposal to create such a constitution, and in particular the latest draft to be produced, has opened yet another hot debate between Roman Catholic liberals and conservatives.

Coming on the heels of the Second Vatican Council, a constitution would be an anachronism. The council made its name by creating a fresh, vigorous image of a growing "pilgrim" church, a "People of God" joined in a community that was more mystery than institution. Much of the new image was not dissimilar to the vision of reformers inside and outside the Roman Catholic Church over the centuries: an invisible church of the spirit as opposed to a visible one of structure and hierarchy. Now that idea was part of Roman Catholic theology as well, and progressive theologians were quick to project it into a dynamic, evolving church. That apparently made Pope Paul VI a bit ap-



HISTORIAN ALBERIGO



CARDINAL SUENENS  
Lobbying for the loyal opposition.

without distinction. Theologically, he complained, the doctrine of the Eucharist, that of Jesus Christ's real presence in the bread and wine of Communion, is slighted. For Vatican II, the doctrine was the focal point of the church's existence.

**Short Pants.** Indeed, Alberigo would prefer to see no *Lex Fundamentalis* at all. "A committee of human beings cannot expect to sit down and design this divinely created organism. A design of the church when put into written words no longer is the church of God but the church of a Felici or a commission or a Pope." Though defenders of the concept have argued that any *Lex* would be amendable, Alberigo contended that the church moves so slowly that "the pants will always be too short." To attempt to construct a constitution at this point in history, he said, was "a return to siege mentality, a sign of fear in Rome."

The blast from Bologna may have been the harshest so far, but it was not the most influential. That came last

month when Leo-Jozef Cardinal Suenens, primate of Belgium and outspoken leader of the "loyal opposition" within the church (TIME, Aug. 1, 1969), attacked the *Lex Fundamentalis* in an interview with Director Richard Guilderson of the National Catholic News Service. Though the cardinal left open the question of "whether or not a constitutional law of the church is at all possible," he assailed both the timing and the content of the present draft, borrowing liberally from Alberigo's study.

**Conceived in Haste.** To begin with, Suenens charged, the draft was conceived in haste and without any real consultation. It lacks "Biblical perspective," elevates the juridical above the "spiritual and charismatic elements of the church" and "runs the risk of completely blocking all future development" in the church. Moreover, noted the prelate, it is "an obstacle for ecumenism," and perhaps even for Catholicism itself. The current dissatisfaction with church institutions on the part of both priests and laity, he argued, would only be exacerbated by any fundamental law that they had no part in making.

The Suenens interview was clearly a lobbying campaign to rally progressive elements before Cardinal Felici could claim majority support for the document. Suenens already had many allies, including the Canon Law Society of America, which called the draft "regressive" and "triumphalistic" and predicted that it would cause further "tragic erosion of respect for authority in the church." A group of some 200 European theologians, including Karl Rahner, Hans Küng and Johannes Metz, even charged that the new *Lex* subordinated the Gospels to the church. In Rome, an assembly of superiors of religious orders solidly rejected the document after hearing from their theological advisers. Negative responses have already come in from the bishops' conferences of France, Germany, Canada, South Africa and Rhodesia. Though U.S. bishops as a body have not yet replied, Detroit's John Cardinal Dearden, president of the National Conference of Catholic Bishops, last week expressed "reservations similar to those of Cardinal Suenens," and urged further discussion of the law.

Pope Paul seems determined, however, that there will be some kind of basic law, and has turned the weapons of the *Lex*'s attackers against them. In an audience this month he criticized a "new juridicism" that would bind the church to constant change. Already the Vatican is quietly putting together another subcommittee to rewrite the *Lex*, although it may be years before any draft is adopted. As for the old version, Cardinal Felici now claims that he was only soliciting opinions from the world's bishops, not any sort of vote. The matter is certain to be a topic of great interest at this year's synod of bishops from round the world, which convenes in Rome next month.

## Notes from a Controversialist

"A reactionary—that is, a conservative who is not cute," is Donald Barr's own description of himself. To some of the militantly progressive parents of Manhattan's prestigious Dalton School, the very word reactionary is anathema, and some of the methods Barr has imposed on the generally permissive Dalton system in his seven years as headmaster have aroused fierce controversy. Just three months ago, dissident parents mounted a major effort to oust him, and were only narrowly defeated.

Judging from the contents of his new book, *Who Pushed Humpty Dumpty?*



HEADMASTER BARR

*Pornographic sounds and humorless kids.*

**Dilemmas in American Education Today.** Headmaster Barr relishes such controversy. His collection of short essays and book reviews is by turns irritating, perceptive and amusing. It is also the work of a man who cares deeply about children and their education. Some excerpts:

**DISCIPLINE** "Few of us like to think about discipline. To the modern liberal mind, the word has an almost pornographic sound. But discipline is necessary to freedom. . . . Though discipline and freedom seem antithetical, each without the other destroys itself. In painting, craft without imagination is sterile, and imagination without craft aborts its image. . . . In government, order without dissent stagnates, and rebellion without law makes chaos, and both are despotic."

**PARENTS.** "The rules of parenthood are simple enough: Be an adult and enjoy being an adult. Do not permit what you do not soberly approve. Set limits and see that they are kept. When should

a parent turn over authority to the child? When the child stops reaching for authority and reaches for responsibility, and not before."

**STUDENT RADICALS.** "I believe that unearned approval in childhood is the source of three traits common among the student radicals: 1) They are far less argumentative than young radicals used to be. Arguing takes listening. 2) They read surprisingly little, although they know of a great many books. 3) They lack humor. Humor takes humility. A sense of humor is based on seeing and accepting human nature as stumbling, pretentious, and forever beveled. When I hear boys and girls call their parents 'hypocrites' (a favorite word), I know I am looking at humorless—and therefore dangerous—children."

**THE UNDERACHIEVER.** "The method of forestalling underachievement is to hold before the child at all times the allure and satisfaction of competence. If the home cannot do it, the school must, somehow. Success is always defined by the child as being the center of attention for the universe or some portion of it. So once a child discovers that he becomes a center of concern and attention by being incompetent, it is tragically easy for him to play this incompetence and acquire strength through weakness."

**VOCATIONAL STUDIES.** "Courses in 'life adjustment'—driver safety, consumer education—should be reserved for those children whose innate abilities are such that they can do nothing with life but adjust to it. . . . Indeed the whole intrusion of vocational training into high schools should be given a hard, cold look."

**GRAMMAR.** "I am a linguistic pessimist. Unguided, our language will degenerate into more and more debilitating imprecision. I hold that for every instance of evolution toward precision there are three cases of devolution into sloppiness. . . . Grammar and syntax can teach one how to make words behave, not just correctly, but interestingly, tellingly, gracefully, efficiently, variously."

**SEX.** "The community has a stake in one's interpersonal relations, because it is a fabric woven of such relations. The adolescent must not be allowed to argue that he can do what he wants to with his own body. His body is not his alone, since he owes something to the phylogeny that has endowed it and to the society that has arranged for its protection and nourishment." He is critical of sex education, finding its presentation too heavy on biology, too light on understanding.

Some of Barr's notions show more passion than thought. What, for instance, is a "dangerous child"? And some of his ideas about sex sound as if they came from a manifesto issued by a corporate state. Still, he is eminently readable and endlessly provocative.

# How many emotions can

Think about it for a moment,  
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impending doom. Rembrandt put all these things into the portrait because he was able to paint the soul as well as the body. He was not seeking mere likenesses, but definitions. In the faces of his people, we can see their fates. The fact that the model for Bathsheba was his mistress Hendrickje helped him to make the portrait all the more real.

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## THE LAW

### Divorce, Caribbean Style

The eight Americans were greeted at Santo Domingo's Las Americas Airport by a smiling host who guided them effortlessly through customs and on to the posh El Embajador Hotel for cocktails and a sumptuous dinner. Next morning the visitors were shuttled to the country's thriving new tourist attraction: the Palace of Justice. By noon-time they were divorced from their spouses back home. The cost: about \$500 in legal expenses, plus air fare and the price of an overnight stay.

Since a liberalized divorce law went into effect in the Dominican Republic 24 months ago, 220 Americans have participated in the brisk ritual—and poured more than \$36,000 into government coffers in the process. The country's chief Spitsville rival, neighboring Haiti, has been in the foreign divorce business since December, and now records about 100 quickie decrees a month. Both countries are looking for rapid growth of the infant industry.

**Heirs to Juárez.** The Dominican Republic and Haiti have Mexico to thank for their new source of income. Troubled by the tawdry image of the Ciudad Juárez divorce factory, Mexican federal authorities last year successfully pressed for an end to the practice. Haiti's late dictator, François ("Papa Doc") Duvalier, promptly signed a quickie divorce law and the Dominican Republic soon followed suit.

How vulnerable to legal challenge the decrees will be remains an open question. If disputes arise over the validity of new marriages, division of property or other issues, Caribbean divorces may prove shaky. Some state courts in the U.S. do not recognize easy foreign divorces. A notable exception has been New York, where the Court of Appeals upheld a Mexican divorce in 1965. Citing the inflexibility of New York divorce laws at that time, and pointing to the legal chaos that might result from nonrecognition of thousands of quickie divorces, the court said that a balanced public policy required recognition. But Dean Monrad G. Paulsen of the University of Virginia Law School, an expert on domestic relations law, does not think that the public-policy argument holds for the Caribbean laws. First, says Paulsen, divorce laws in the U.S. have been relaxed. Second, the number of Caribbean divorces is still too small to create the confusion that worried the New York Court of Ap-

peals. Warns Paulsen: "Those going to the Caribbean may be engaged in an enterprise that, in a legal sense, is not likely to end their marriage."

**Helpful Minister.** Such problems have not discouraged pioneers of the Caribbean's divorce trade such as Donald McKay, 49, a chunky ex-paratrooper and graduate of the University of Alabama Law School. McKay prospered for years in El Paso, where he and his partner, Morris ("Red") Bell, arranged flights to Juárez for their clients from all over the U.S. Now Bell works out of Miami, while McKay hangs his shingle in the Port-au-Prince offices of 180 tours.

BERNARD HEDERICH



ESPINOSA WITH CLIENT IN DOMINICAN REPUBLIC COURT  
A choice of languages.

which is owned by the Minister of Interior and National Defense, Luckner Cambronne. The arrangement is more than coincidental. The Haiti statute provides specifically that one travel agency must be in charge of informing the Ministry of Justice of all divorce cases. Not surprisingly, Cambronne's outfit got the nod, and the resulting business.

Santo Domingo was slower getting into the quickie divorce business, primarily because of opposition from the church, feminist groups and the press; President Joaquin Balaguer vetoed the original bill. But once leading legislators were assured of a share of the legal business, the measure was passed in June over Balaguer's veto. Already, Haiti has been forced to reduce its price to compete with its neighbor's figure. The package fee, which varies somewhat depending on the case, is divided among the stateside lawyer, the Caribbean lawyer, and government agencies including the court.

Manuel G. Espinosa, 43, is the resident expert in the Dominican Republic's new divorce business. When word of the change in Mexican divorce law came down, Espinosa, a Mexican lawyer who had plied the Juárez trade for eight years, moved to Santo Domingo and eagerly awaited the chance to do business there. Now Espinosa is director of the city's leading domestic relations firm (otherwise made up exclusively of members of President Balaguer's Reformista Party).

McKay and Espinosa are persuaded that the island can attract even more business than Juárez did at its apogee. What they need, they say, is proper promotion, and the Dominican Republic has already snared its first celebrity. Actor Elliott Gould flashed through the court last month to dissolve his marriage to Barbra Streisand. "I don't want to knock Mexico," says Espinosa, "but the system had become too mechanical." When he leads his flock into the marble-clad courthouse, Espinosa carefully points out the crucifix in the court signifying, he says, "the presence of God."

The newly unspliced so far seem satisfied. Once they have answered a black-robed magistrate's five questions (name, nationality, address, occupation and consent to be divorced), they have nothing but kind words for the procedure. They do not even mind that the ceremony takes almost a minute—a full 30 seconds longer than the super-efficient Juárez procedure. Said one veteran of Juárez: "It was like a cattle run there; here in Santo Domingo it's got class." Those who opt for the Caribbean have one final decision to make: whether to get divorced in French (Haiti) or in Spanish (Dominican Republic).

### Priests' Pay

Because priests and nuns take vows of poverty, it is common practice in Roman Catholic schools and universities to pay them less than lay members of the faculty. That "clerical discount" can mean a salary differential of 50%. Now the only two priests on the law school faculty of Catholic University of America in Washington, D.C., have become fed up with the policy. The two professors, Father Joseph Broderick and Father David Granfield, have filed separate suits in a Washington federal court seeking parity with other law professors. They thus increased the pressure being applied by a growing group of nuns and priests who argue that their vow of poverty means that any unneeded earnings should benefit their orders rather than their employers. In their suits, Fathers Broderick and Granfield contend that the university had promised to abolish clerical discounts but did not, and that they are being deprived of their rightful salaries without due process of law. Because they are asserting a right to an already established salary level, the new wage-price freeze probably will not affect their claim.

## ART

### Etcher of the Id

A man tosses in nightmare: waves swirl against his mattress, accusing figures and monsters jostle in the water, and a gigantic buttoned glove flops like a squid against the bedroom wall. A skeleton lies across a railroad track, two bony fingers stuck between fleshless lips to whistle an approaching train to its accident. Cliffs become gloomy torsos, a lobster floats in air. The images seem like snippets from a surrealist collage by Max Ernst. In fact, they filled the graphic work of a 19th century German academician named Max Klinger.

**Unheralded Prophet.** Klinger died in 1920, after a career of prolonged and dull success. The paintings from which he earned a handsome living were promptly forgotten, and his strange etchings, too. But with the renewed scholarly interest in 19th century German art, and in the sources of that anonymous stuff called "modernism," it was natural that Klinger should be exhumed. This job, and more, has been done by an elegantly compact show of Klinger graphics assembled by Jan von Adlmann for the Wichita Art Museum, where it opened this month before traveling to Berkeley and Harvard.

To treat Klinger simply as a prophet of Surrealism—which Von Adlmann sensibly does not do—would be to miss the peculiar value of his art. The Surrealists were able to build their Tower of Babel on the work of Freud. But as far as is known, Klinger had never heard of the Viennese doctor. Born in Leipzig in 1857, and brought up in the correct milieu of provincial German society, he in-



MAX KLINGER'S FANTASMAGORIA: "FINIS" (ABOVE) & "THE ABDUCTON"



herited no work plans for dealing with his own unconscious images. He simply laid them out, naked or veiled with classical mythology. At the same time, Klinger was aware of a split between his official paintings and his more private graphics. He explained this to himself as part of the nature of the media.

The painter, he held, "prefers to beautify." But the draftsman, who works with the more wiry stuff of line, "practices a form of criticism with his scratching." The man with the pen "looks perpetually at the unfilled holes, the yearned for and the barely attainable: his is a personal coming to terms with a world of irreconcilable powers. The painter bodies forth optimism . . . the draftsman cannot escape his more negative vision, beyond appearances." So Klinger the painter moved sedately between a professorship in Leipzig and his country vineyard, turning out the portraits and allegories his patrons sought, and ignoring the obsessions which Klinger the draftsman could not deny himself.

Two themes in particular haunted him: fetishism and an erotic consciousness of death. Nowhere did he express this desire to tie love and death together more succinctly than in an etching of 1884 called *Finis*. It is the last plate in an ironical series on the life of a "fallen woman," throughout which Klinger essayed some bitter jabs at the prevailing Victorian hypocrisies about virginity and whoredom. The luckless and persecuted heroine, freed from life, is carried away by an angel, or maybe an ideal lover, sprawled on his wings as on a feather bed. "We flee the shadow of death, not death itself, for it is the ultimate goal of our fondest wishes," Klinger wrote elsewhere.

**Alarming Glove.** Klinger's fetishism dominates his strangest and best known series of etchings: a fantasy which begins innocently enough with the artist picking up a girl's glove at a roller-skating rink, and follows the glove through a fabulous series of dream vicissitudes. The artist competes for this odd love-object against a baleful, glove-napping reptile—which, in *The Abduction*, sprouts wings like a pterodactyl and lurches off into the night sky with its prey. Such etchings, in their impassioned and somewhat poker-faced grotesqueries, are reminiscent of Goya, who gave visual substance to those monsters that wake when reason dreams. But Goya's repertory contains no more alarming beast than this.

It is on the resonance of his imagery that Klinger's work depends for its enduring value. His handling of tone (and thus of space) tended to be weak, and his drawing was often coarse and perfunctory. His strength was neurosis, and the best of his etchings, with their strangely modern battles of id and antimacassar, are illustrations of a Freudian maxim: civilization is repression.

■ Robert Hughes

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## MEDICINE

### The Patient's Friend

The black teen-ager had good reason to be upset. His injured father had been rushed to the emergency room of Chicago's Michael Reese Hospital and Medical Center, and the distraught boy was unable to learn anything about his condition. Harried doctors and nurses were too busy to concern themselves with a frightened kid. Then the boy met Mahon Washington. The avuncular black man ducked into the treatment room to learn the patient's prognosis, returned to assure the youngster that his father would live.

Such service is part of Washington's daily routine. Although he had no medical experience, Washington, 56, was hired in 1969 as the emergency-room "ombudsman" because he could "get on with folks" in Chicago's sprawling South Side ghetto. Working from 4 p.m. to midnight, he handles anywhere from five to 25 patient problems and complaints a day, calming the nervous, interpreting medical instructions and, as he puts it, providing a "human element" in the crisis area of the emergency room.

**Consumerism.** Washington's presence at Michael Reese underscores a new trend in hospital management. A common criticism of many hospitals, particularly large ones, has been their indifference to an individual's personal problems as distinct from his medical needs. Now an increasing number of institutions are attempting to cope with the whole patient. One important step: some 80 U.S. hospitals have hired staffers to hear patient grievances and to act on them.

Predictably, some of these ombudsman appointments are little more than token responses to the rising spirit of consumerism. Often the individuals are volunteers without any authority to act. But many hospitals are sincerely searching for ways to improve relations with

MAHON WASHINGTON AT WORK IN CHICAGO

their patients. New York's Mount Sinai Hospital has a staff of five to deal with its patients' nonmedical needs; Presbyterian-St. Luke's Hospital of Chicago has hired a patient representative to deal with the problems of those using its clinic and emergency room. Few institutions, however, have gone as far as New York Hospital, a 1,000-bed facility associated with Cornell University Medical School. New York's Anne Alex-Coté, 26, is a member of the institution's administrative structure and has broad authority to investigate and when necessary do something about patient complaints. She is also singularly qualified for her work. A former nurse, she got a patient's-eye view of hospital operations when a back injury confined her to a hospital bed for two weeks. That experience, plus her understanding of hospital procedures, has helped her in dealing with nearly 1,400 patient complaints in the past year.

Not unexpectedly, most of the gripes arise out of misunderstandings. "Patients often fail to understand the need for hospital routines," says Miss Coté. "They don't always realize that the nurse who seems brusque must take ten more temperatures and half a dozen blood pressures and thus doesn't have time to stop and chat." But, she is quick to add, many complaints about doctors and nurses are justified. "Hospital personnel have to understand that the patient is upset. He's upset by his illness. He's worried about who's going to do his job, take care of his kids, pay his bills. He needs someone to listen to him and explain things to him."

**Meat Wagon.** At New York Hospital, reports Miss Coté, most patient problems can be solved by a chat with nurses or doctors or a visit to the hospital's billing office. At Chicago's Michael Reese Hospital, on the other hand, more than words were necessary to improve the institution's relations with a distrustful ghetto community. Before Mahon Washington's arrival, for instance, the hospital routinely relied on police cars and paddy wagons to send charity patients to nearby Cook County Hospital. Washington persuaded the hospital to end what he calls "meat-wagon transfers." Now taxis or ambulances are used. He has also sought to reduce long waits for treatment and to interpret unintelligible medical instructions. Says he: "When a patient receives a prescription marked 'take three per day, one before each meal,' and he can only afford two meals a day, you need someone who can explain how to take the medicine."

Most hospitals that have tried ombudsmen are pleased with the results. Dr. David Thompson, director of New York Hospital, believes that Anne Coté's work has greatly improved relations between the hospital and its patients. Officials at Michael Reese are equally enthusiastic about Mahon Washington. Two years



NEW YORK HOSPITAL'S ANNE COTÉ  
Treating the whole person.


ago they had to overrule a hospital accountant to obtain funds for his position. Now they are planning to expand the ombudsman program to the entire hospital.

### The Spectacular That Failed

Neither of the two previous patients to undergo heart-lung transplants lived for more than a few days after their operations. Still, South Africa's Dr. Christian Barnard had no hesitation about attempting the surgical spectacular last month. His patient, Adrian Herbst, 49, was near death from emphysema, and Barnard felt that the operation offered the only chance for survival (TIME, Aug. 9). Last week, 23 days after the operation, Herbst died at Cape Town's Groote Schuur Hospital.

Though the patient survived longer than the other two heart-lung recipients had, it was a desperate struggle almost from the beginning. Three days after surgery, Herbst began to have difficulty breathing, and doctors opened his windpipe and inserted a tube to better ventilate his lungs. Later a bronchial leak required a second postoperative repair job. For several days afterward, Herbst appeared to be making progress. But on Aug. 13, his condition began to deteriorate despite further efforts to save him.

Barnard's South African colleagues lost no time in criticizing him for even attempting the procedure. One, quoted in the influential Afrikaans newspaper *Die Burger*, implied that Barnard had engaged in outright experimentation; another argued that the operation had offered Herbst no real hope for a return to normality and should not have been performed at all. Some, however, withheld comment pending the release of more details, including the precise cause of death. The wait may be a long one. Barnard has refused to discuss the case until after the publication of an article in the *South African Medical Journal*, perhaps in October.

A black and white photograph of a large male lion standing in the middle of a city street. The lion is looking directly at the camera with a serious expression. In the background, there are tall city buildings with many windows. The text is superimposed on the upper part of the lion's head.

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## THE THEATER

### Pick of the London Season

Traditionally a parched period for Broadway, summer is the most fertile time of year for the London stage. American tourists crowd the city and producers pump new life into old attractions and unveil choice new ones. The most successful plays usually migrate to the U.S. Following is a current British sampler:

#### A Proper Despair

Palm fronds hang listlessly overhead. A houseboy insolently serves up rum to old colonials. The veranda glares in the kind of heat that rots wood and souls.

A promisingly seedy setting for John Osborne's latest play, which opened last week to culminate the London summer season. The locale and title are *West of Suez*—a former British outpost in the Caribbean, now underun by surly native administrators and overrun by American tourists. Four English sisters, their spouses and assorted hangers-on have gathered at a villa for a holiday with the sisters' fa-

RONALD B. JEFFREY



RICHARDSON IN "SUEZ"

Psychologically on the lam.

ther, an aging, eminent writer (Ralph Richardson). The whole crowd is psychologically on the lam, morally lying low, paroling out a diminishing stock of options while they keep a furtive lookout for some dreaded future that is already rounding the corner.

**The Gravest Sin.** This, Osborne seems to be saying, is what England has come to. These are the people whom Jimmy Porter savaged so mercilessly as the detritus of a doomed civilization in Osborne's first play, *Look Back in Anger* (1956). But now Osborne, who has shifted to the right in recent years, finds much to mourn in that civilization's passing. The bright, bitchy banter of the sisters—one notably played by Jill Ben-

nett (Mrs. John Osborne)—is pierced by nostalgia when the old writer reminisces about damp England, colonial days, his own youth when he never really felt young. The latter-day equivalent of Jimmy Porter, a visiting American hippie, can only splutter four-letter words in return, the abstract tokens of a rage that is blind and almost dumb.

It is pointless to worry about whether *Suez* is a shapely and coherent play. It isn't. Useless characters clutter the stage, scenes balloon or shrink out of proportion, and at the final curtain the plot snaps shut arbitrarily as native soldiers run onstage shooting. Osborne's anger still glints and cuts, but it cannot draw blood from such straw men as critics, in-laws and American tourists.

What redeems the play is what redeems any Osborne play: an intriguing central character who rivets the audience with nothing more than talk, talk and more talk. This time it is the roguish writer, a part that Richardson does not so much perform as revel in—gloriously. Behind his screen of "Who, me?" buffoonery, the writer has plumbed the cold depths of his situation. The other characters—old generation and new—are still in the shallows, still fashionably suffering a loss of faith as if it were a briefcase left on a train. To the writer, the gravest sin is to lack "the capacity for proper despair." He has it. Between the time the play lurches fitfully into motion and the time it explodes raggedly at the end, his expression of that despair—funny, shrewd, somber—holds the stage compellingly.

#### Merciful Lies

English acting boasts six superweapons: Laurence Olivier, John Gielgud, Ralph Richardson, Paul Scofield, Michael Redgrave and Alec Guinness. Producers usually have two or three of them deployed at any given moment, much as the U.S. Strategic Air Command keeps some bombers in the air at all times. This summer all but Olivier are aloft. The effect, allowing for an occasional misfire, is explosive.

Besides Richardson in the Osborne play, there is Gielgud, rendering nobly unto the part of Caesar in the Chichester Festival production of Shaw's *Caesar and Cleopatra*. Redgrave, the one current dud, is tentative and shambling as a man who has never outgrown his school days in William Trevor's *The Old Boys*. Scofield virtually carries Pirandello's *The Rules of the Game* with his icily commanding portrayal of a cynical philosopher.

The best performance is by Guinness in *A Voyage Round My Father*. His role—that of a blind, eccentric barrister who insists on living life as he can see—calls for a tour de force, and Guinness amply provides it. The rather slender script is not so much a play as a dramatic memoir. Playwright-Barrister John Mortimer based it on the life of his father and achieves a remarkably clear-headed perspective: comic but not patronizing, critical but not contemptuous, affectionate but not sentimental.

**Final Triumph.** Guinness builds a crafty surface portrait, all devastating sarcasm in the courtroom and gruff charm at home. The physical details are uncannily convincing, from the willed confidence of his stride to the panicky flutter of his hand when he gropes for his cane. The father leans heavily on a long-suffering family yet dismisses love as "overrated." His life and feelings are arranged, like his face, into a mask: cunning, stoic, blank.

The challenge of the portrayal is to reveal the price of maintaining that mask.

RONALD B. JEFFREY



GUINNESS IN "FATHER"  
Echoing with desolation.

Guinness's jaunty lines echo with desolation. Sagging visibly into senility, he gradually allows the subterranean fear and loneliness to seep through. When his new daughter-in-law assures him that he isn't dying, he says: "I'm so relieved to find that you can lie as mercifully as anybody else." The final triumph of this scrupulous and touching performance is to suggest that the man who knows what lies he has lived by has attained a kind of truth.

#### Foam on the Wave

"Revolutions," said American Abolitionist Wendell Phillips, "are not made: they come." When they come, they sweep up or crush the rebels themselves. That collision of personal destinies and



impersonal forces contains the stuff of drama, and two of the most engrossing current plays make the most of it. The National Theater production of Georg Büchner's *Danton's Death* and the Royal Shakespeare Company production of Maxim Gorky's *Enemies* both show how historical drama can be elevated to the real drama of history.

Büchner, a German medical student with radical leanings, wrote *Danton's Death* in 1835, when he was 22 and had only two years to live. In the struggle between Danton, the spirited French revolutionary leader, and Robespierre, the fanatical moralist of the terror, Büchner saw a vindication of his thesis that "the individual is foam on the wave, greatness nothing but chance." His dramaturgy marches in the footsteps of historical process, with rhetorical set piece piled upon set piece. Most directors try to flesh out the skeletal mechanism. At the National Theater, Jonathan Miller has daringly stressed the play's essential starkness, making it as cool and implacable as the guillotine's edge.

**Pale Makeup.** Miller's version sometimes seems more like an eerie dream than a real performance. Behind the players there is a haunting set by Patrick Robertson: two angled tiers on which stand rows of headless dummies. It is a gallery of the dead, where Danton, Robespierre, everyone is soon to take his place. The actors perform in pale makeup, gesturing stiffly. In a sense they are already dead, the puppets of history. Their futility makes Richard Kay's Robespierre and Ronald Pickup's Saint-Just all the more chilling in their bloodless passion. Christopher Plummer's Danton is all the more poignant for his earthy humanism.

Gorky's *Enemies*, written in 1906, is, like a Chekhov play, invaded by refugees from the playwright's own lower depths. All the familiar elements are there: the provincial country estate glimpsed through elegiac shadows, the large landowning family dwindling into folly and fecklessness, the enduring peasants. But this time the emerging new order, instead of being prophesied by some impotent Chekhovian visionary, actually spills over the stage, embodied in the rebellious workers from a factory near the estate. They shoot their employer, the Czarist police crack down, and at the final blackout a voice is heard amid the tumult: "These people are going to win, you know."

David Jones' Royal Shakespeare Company production—leisurely, expansive, lovingly detailed—is a Russian novel come to life. Under its spell, it hardly matters that Gorky's play is as rambling and sometimes as confused as the house in which it takes place. Nor is Gorky's propaganda allowed to blunt his keen human sympathies. Throughout, the real tragedy is that the enemies of the title are not only classes, but individuals.

■ Christopher Porterfield

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## MILESTONES

**Born.** To Diana Ross, 27, singer and exemplar of the Motown Sound, and Robert Ellis Silberstein, 25, Los Angeles public relations executive: their first child, a daughter; in Hollywood. Name: Rhonda Suzanne.

**Died.** Peter Fleming, 64, peripatetic man of action and letters; of a heart attack; in Black Mount, Scotland. Though less famous as a writer than his older brother Ian, who created James Bond, Peter Fleming produced minor classics. His books *Brazilian Adventure* (1933) and *News from Tartary* (1936) are still in print. The first, which spoofed superserious adventure tales, was based on his search for a lost jungle expedition; the second on his 3,500-mile trek from China to Kashmir. A Grenadier Guards colonel during World War II, he was an intelligence operative in Nazi-occupied Greece, then in Asia, where he concocted a mythical set of war plans that misled the Japanese as to the real movements of British forces. Much of his later writing was on military history.

**Died.** Horace McMahon, 64, bull-necked, gravel-voiced character actor who was long one of Hollywood's favorite heavies; in Norwalk, Conn. After several years as a bit player and a starring role on Broadway, McMahon went West and was soon typecast as a mobster—a bread-and-butter persona that he relished in many of his 135 films. "I was a jailbird," he said, "behind bars so often that Western Costume Company had a 'Horace McMahon' tag sewn into a convict's striped suit." In 1949 he exchanged his prison number for a badge number, returning to the stage as Lieut. Monaghan in *Detective Story*. Finding his new image as the hard-boiled cop equally remunerative, McMahon later became the grumbling police lieutenant who ran New York's 65th precinct detective squad on the long-lived ABC series *Naked City*.

**Died.** Albrecht Goetze, 74, dean of Babylonian scholars; of a heart attack; in Garmisch-Partenkirchen, Germany. Branded "politically unreliable" by the Nazis, Goetze fled to the U.S. in 1934 and joined the faculty at Yale, where he served as Professor of Assyriology and Babylonian Literature for three decades. One of his biggest contributions to the understanding of the ancients started by chance in 1948: he stumbled across some neglected tablets in the Iraq Museum. Eventually he identified them as one of the world's oldest known body of laws—the Akkadian Code of Eshnunna. Goetze translated the code, which predates the 3,700-year-old Code of Hammurabi by more than 150 years. It showed that price controls were used in the ancient Babylonian kingdom and that criminal penalties were carefully

spelled out: "If a man bites the nose of another man and severs it, he shall pay a fine of one pound of silver."

Died, Paul Lukas, 76, the durable actor with the Continental mien; of heart disease; in Tangier. "Acting is a *Gesellschaftsspiel*," declared Budapest-born Lukas. "When I speak lines in a play, I mean them: I am talking to someone. It's all real." Brought to America by Producer Adolph Zukor in 1927, Lukas first appeared on the Hollywood silent screen opposite Pola Negri in *Loves of an Actress*. He took a recess from films and in 1941 scored his greatest stage triumph portraying Kurt Müller, the dogged anti-Nazi hero of Lillian Hellman's *Watch on the Rhine*. Three years later he received an Oscar for best actor when he re-created the role on film.

Died, Spyros P. Skouras, 78, longtime cinema mogul; of a heart attack; in Rye, N.Y. A Greek immigrant 61 years ago, Skouras started his American career as a hotel busboy. He and two brothers bought into a nickelodeon in 1914, then built their \$4,000 investment into a chain of money-making movie palaces. Skouras also took over the Fox Metropolitan theater group, rescued it from bankruptcy and wound up in 1942 as head of the entire 20th Century-Fox empire. He pioneered revolutionary techniques like CinemaScope and presided over the production of dozens of screen classics, including *The Robe*, *The Snake Pit* and *Gentleman's Agreement*. Blamed for massive losses incurred partly by the \$30 million epic *Cleopatra*, he resigned as Fox president in 1962 and later took the helm of the Prudential-Grace shipping lines.

Died, Henry Fitz Gerald Heard, 81, novelist, philosopher and member of the fraternity of pacifist intellectuals that included Aldous Huxley and Bertrand Russell; in Santa Monica, Calif. Though he once declared that "words are at the end of their tether; their elasticity is worn out," the British expatriate was a most prolific writer. As H.F. Heard, he turned out first-rate detective stories (*A Taste for Honey*) and Orwellian chillers (*The Great Fog*). As Gerald Heard, he wrote such scholarly works on philosophy and religion as *A Dialogue in the Desert* and *The Ascent of Humanity*.

Died, Field Marshal Siegmund Wilhelm List, 91, the Nazi *Blitzkrieg*meister who for a time was one of Hitler's favorite field commanders; in Garmisch-Partenkirchen, Germany. The stony-faced strategist engineered the fall of Greece and Yugoslavia, earning the title "Balkan Conqueror." Though Hitler personally selected him in 1942 to take command of German forces in the Caucasus, List concluded that the Russian campaign was futile and was sacked. Given a life sentence as a war criminal, he was released after only four years in prison.

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# CINEMA



BOTTOMS (IN BED) & VARSII IN "JOHNNY"  
A hand of cards with Jesus.

## Basket Case

"I believe in message pictures," Dalton Trumbo said recently, and *Johnny Got His Gun*, his first film as a director, comes heavily stamped and postmarked "Urgent." As one of Hollywood's most prominent scenarists (*Exodus*, *Hawaii*), Trumbo has always had a tendency to bear down so heavily that he often blunts the points he is laboring so hard to drive home. He does so again in *Johnny*, which he adapted from his own 1939 antiwar novel.

**A Tapped Message.** Joe is a World War I doughboy who gets blown to bits by a shell. His arms, legs and face gone, Joe is kept alive as an experimental curiosity, locked in a hospital closet. One of the Army surgeons states confidently that Joe can feel nothing. But Joe not only feels; he remembers (his Midwest childhood) and he fantasizes (playing a hand of cards with Jesus Christ). After months of mute anguish, Joe is assigned a pretty young nurse who takes pity on him and even makes love to him.

Joe eventually hits on the notion of communicating by tapping out Morse code with his head against the pillow. Doctors and top military brass, who have previously regarded him as a hopeless basket case, come running and are aghast at his message: kill me. The request is refused. No one will accept the responsibility for his death or acknowledge publicly his continued existence. Best to keep things as they are. So Joe is left locked in his hospital room, banging out his pitiful message, a barely surviving symbol of human barbarism.

**A Dead Voice.** A promising young actor named Timothy Bottoms portrays Joe by turning the ritual clumsiness of a newcomer to good advantage. Jason Robards plays Joe's father with only intermittent conviction, while Diane Varsi, as the nurse, seems to be recovering from some esoteric hallucinogen.

Trumbo's pacifism is patently honest,

but he presents his convictions as if they were credentials, assuming that audiences in sympathy with his ideas must automatically accept his art. Having the right instincts is simply not enough.

■ Jay Cocks

## Potshots at the O.K. Corral

"Doc" Holliday walks in out of the prairie dust. Kate Elder, now off the line and making a home, looks up from her work.

"Hiya, bones," she says.

"Hello, bitch," he smiles.

Another western for swingers. *Doc*, Frank Perry's new film from a screenplay by Columnist Pete Hamill, is supposed to pierce "the western myth's special heart of darkness." It covers all the familiar territory, right down to the gunfight at the O.K. Corral. But this time Holliday is not a tubercular dentist from the East turned gunslinger, he is an itinerant murderer whose morals are only slightly stronger than his lungs. Kate Elder is a morose, scurvy hooker. Wyatt Earp becomes a craven politico who packs a long-barreled six-gun and a highly pragmatic regard for justice. Running for office, Earp makes speeches about law-and-order, deliberate anachronisms with which Perry and Hamill take a couple of potshots at political relevance.

Those are diverting conceits, good enough, perhaps, for a casual short story, but flimsy as a basis for an entire film. Moreover, *Doc* is so redolent of a kind of New York café society chic that the Tombstone saloon might just as well have been rechristened Elaine's. A minor New York City official in Mayor Lindsay's administration named John Scanlon appears as the bartender, and Dan Greenburg, author of *How to Be a Jewish Mother*, plays the editor of the Tombstone *Epitaph*. They stand out like two polo players at a rodeo.

The general air of charade is un-

derscored by the sets, which were rendered in shades of brown and photographed with washes of white light so that the film looks like an underdone French fry. The pace is so slow that the real Doc Holliday could have dealt a hand of poker during each halt in dialogue. But Stacy Keach manages to suggest some depth in the Holliday character, and Harris Yullin, as Earp, slithers through his scenes like a genuine sidewinder. Playing Kate Elder, Faye Dunaway is better than she has been since *Bonnie and Clyde*, raunchy and touchingly haunted by the always frustrated hope of a better life.

The irony is that *Doc* is interesting mainly for the things it is trying to debunk. It is the stuff of legend—the challenges, the brawls, the gunfights—that sustains attention. Perry and Hamill are simply swallowed whole by the myth they hoped to destroy.

■ J.C.

## Valley of the Dregs

Russ Meyer, the Barnum of the skin-flicks, has recently been grinding out his exploitation films under the imprimatur of major studios. He now follows the thunderous vulgarity of *Beyond the Valley of the Dolls* with a tepid adaptation of Irving Wallace's best-seller about an obscenity bust. *The Seven Minutes*.

Meyer struts his usual cinematic stunts (blisteringly fast cutting) and visual diversions (actresses constructed like Goodyear blimps), but to little avail. The leading roles are portrayed by unknowns who are likely to remain so, and the movie mostly takes place in the courtroom instead of the bedroom, an unhappy change of venue for a director like Meyer.

An even worse movie, *The Love Machine*, based on an even better seller by Jacqueline Susann, charts the rise and fall of a libidinous television executive. Robin Stone (John Phillip Law) is first discovered broadcasting the local news by his boss's wife (Dyan Cannon), who has a kind of pelvic instinct for talent. She passes some heavy hints along to hubby (Robert Ryan), who sees Stone as the right man to boost the ratings. When hubby suffers his executive coronary, Stone slips right into his chair and his bed. His insatiable and somewhat kinky appetites, however, get him into a good deal of trouble once hubby is off the digitalis.

David Hemmings, swishing about in a limp-wristed parody of his fashion-photographer role in *Blow Up*, furnishes the film's few diverting moments. Most of the cast, including Law, are automata whose flagrant absence of talent does full justice to their material. Miss Cannon, usually a decent actress, here seems rather strung-out, and Ryan, even when he is not supposed to be in the throes of thrombosis, persists in looking sorely but understandably pained.

■ J.C.



# MUSIC

## Records: Summer's Choice

Everything You Always Wanted to Hear on the Moog (Columbia: \$5.98). The work of Columbia Producers Andrew Kazdin and Thomas Shepard. *Everything* is actually something less than that, a Franco-Spanish program including Chabrier's *Espana*, Ravel's *Bohème*, a mini-suite from Bizet's *Carmen* and the *Malagueña* of Ernesto Lecuona (only Latin in the group). Infinitely superior in sound quality and Moog mastery to the same company's all-time classical bestseller *Switched-On Bach*. *Everything* is not to be confused with the originals, nor is it to be condemned for its license. Harmless fun and easy to take, it asks the question: Has the time come to judge Moog programmers on their interpretive skills? If so, Kazdin and Shepard rate four stars for just tempos, bold colorations and wit.

**Mozart: Symphonies Nos. 35, 36, 38, 39, 40, 41** (Herbert von Karajan; Berlin Philharmonic; Angel, 3 LPs; \$5.98 each).



MOZART BY VON KARAJAN  
Drowsy Jupiter.

\$5.98 each). Six testaments to the delectable creations in which Mozart not only prophesied the symphonic era that followed him but very nearly said the last word on the subject. Von Karajan's distinctive blend of rich phrase and richer orchestral sonority customarily works well. But this time he seems surprisingly nonchalant. His drowsy *Jupiter*, for instance, might better be called Saturn. The best set of these symphonies remains Otto Klemperer's (also on Angel), and—for crisp, detail-laden sound—George Szell's versions of 35, 39, 40, and 41, recently offered at a bargain price (\$6.98) by Columbia.

**Penderecki: The Devils of Loudon** (Philips; 2 LPs: \$11.96). Focusing his threnodies and oratorios on man's worst moments (Hiroshima, Auschwitz, to name but two), Poland's Krzysztof Penderecki has emerged in recent years as the Hieronymus Bosch of contemporary music. Here, in his first opera, he examines the nightmarish moods surrounding the torture and execution at the

stake) of a falsely accused 17th century French provincial priest. Penderecki's lurid vision of hell on earth rivals Berg's *Wozzeck* and Lulu. Splendidly performed by the Hamburg State Opera, *Devils* is clearly the operatic record of the year, though not for the easy listener.

**New Music of Czechoslovakia** (RCA: \$5.98). Musicologists and conductors coming out of Prague these days speak fervently of the new school of young composers flourishing there. Here, at last, is convincing recorded documentation, performed by the London Symphony and Conductor Igor Buketoff. Vladimir Sommer's *Vocal Symphony* and Jan Klusák's *First Invention* are impressive enough, but the real "find" here is *15 Prints After Dürer's "Apocalypse"* by 35-year-old Lubos Fiser (pronounced Fisher). Read musical episodes for prints, and you have a work that does not so much interpret Dürer, as reflect the austere purity of his graphic art.

**Mahler: Symphony No. 3** (Nonesuch, 2 LPs: \$5.96). Every Mahlerian worth his *Knaben Wunderhorn* knows the name and work of Kiev-born Conductor Jascha Horenstein. Nearly two decades ago, Vox Records issued his per-



CZECHS BY BUKETOFF  
Reflected purity.

formances of the Mahler *First* and *Ninth*, and they are still unsurpassed for their particular blend of pathos and playfulness. Recently, Horenstein, 73, has begun recording regularly again with the London Symphony Orchestra and has now produced a lofty version of Mahler's hymn to nature that is more than a match for the honored interpretations by Leonard Bernstein, Erich Leinsdorf and Rafael Kubelik.

**Songs by Hugo Wolf** (Seraphim; \$2.98). A single LP made from off-the-air tapes of one of Soprano Elisabeth Schwarzkopf's finest and most famous hours as a lieder singer—her recital in the Salzburg Mozarteum on Aug. 12, 1953. Words and melody blend the way they do partly because of her eminent piano accompanist, Wilhelm Furtwängler, who on this record plays the way

he usually conducted: rounding phrases majestically, seeing to it that voice and instrument are blended perfectly.

**The Complete Symphonies of Haydn** Volume I (Nos. 65-72), Volume II (Nos. 57-64) (London Stereo Treasury, 4 LPs each: \$11.92 a set). Many a record company has set out, intending to offer Haydn's complete this or that, only to founder along the way. With 88 more symphonies to go, London deserves approval and support. In these largely unknown middle-period symphonies played by Antal Dorati and the Philharmonia Hungarica, Haydn's mind is always fascinating to follow, even though he is not yet the sovereign master of symphonic repartee revealed in later works like the *Oxford* and *London*.

**Acoustic Research Contemporary Music Project** (Deutsche Grammophon, 6 LPs: \$2 each). The makers of AR loudspeakers and other audio equipment are offering records devoted to 16 American composers largely ignored so far by the record-industry majors. Especially worthwhile are Milton Babbitt's *Philomel*, for soprano (Bethany Beardslee) and synthesized sound, and an airily



PENDERECKI BY HAMBURG  
Lurid hell on earth.

atonalistic set of madrigals by Pulitzer Prizewinner George Crumb. The records are available by mail from AR, Inc., 24 Thorndike St., Cambridge, Mass. 02141.

**Verdi: Aida** (RCA, 3 LPs: \$17.98). Erich Leinsdorf's conducting recalls the dramatic sweep of Toscanini. Gorgeous sound from the London Symphony Orchestra, with Leontyne Price at her recent best in the title role, and Plácido Domingo, Sherrill Milnes, Grace Bumbury and Ruggero Raimondi at their all-time grandest in support.

**Piston's Symphony No. 2** (DG: \$6.98). Like Randall Thompson's mellifluous *Symphony No. 2* (Leonard Bernstein; Columbia), this eloquently traditional 28-year-old work has survived the original scorn of avant-gardists who should have been hung by their own dogmas. Proud of theme, opulent of chord, it is performed with missionary brio by Michael Tilson Thomas and the Boston Symphony.

■ William Bender

## BOOKS



"RA II" AT SEA

### Wine-Dark Sails

THE RA EXPEDITIONS by Thor Heyerdahl, 341 pages. Doubleday. \$10.

On April 28, 1947, an unknown Norwegian ethnologist named Thor Heyerdahl set off across the Pacific on a 45-ft. balsa raft he called *Kon-Tiki*, the Incan name for sun-god. Young Heyerdahl entertained a theory that Incan raftsmen might thus have freighted their civilization to Polynesia. He failed to convince most fellow scholars that Peruvian-Polynesian cultural coincidences were more than just that. But by Aug. 7, when he cracked up on a coral reef 4,300 miles from Peru (and 250 miles east of Tahiti), Heyerdahl had proved indubitably that a balsa raft could cross the Pacific. He had also become a celebrity—one of those adventurers who stir the thin blood of the technological age with intimations of what the word hero once meant.

Heyerdahl's account of the voyage was translated into more than 60 languages, sold more than 20 million copies. In 1955 he made an expedition to Easter Island, 2,350 miles west of Chile, and another bestseller, *Aku-Aku*, resulted. But then he bought a 13th-century terra cotta chateau above the Italian Riviera and settled down to a comfortable life of sun-kissed scholarship. Had Thor Heyerdahl become adventurer emeritus? Not quite.

**Grander Suspicion.** On May 25, 1969, Heyerdahl—54 years old, lean, and tan—again put out to sea, nagged by an even grander suspicion. Reviewing 60 cultural parallels between ancient Peru and ancient Egypt (including pyramids and reed boats), Heyerdahl asked himself: If Peruvians could sail by balsa raft to the Polynesian islands, might not the Egyptians have sailed by reed boat to Peru? Or at least from Morocco to Mexico?

Following the design of old Egyptian murals, Heyerdahl built a papyrus-reed boat, or *kaday*, 50 ft. long, 15 ft. wide, and named it *Ra*, for the sun-god—cultural coincidence!—of Egypt, Easter Island and Polynesia. The *Ra* was loaded with over a ton of fresh water in authentic Egyptian jars and almost twice that weight in food. Menu samples: sheep cheese in olive oil and *sello* (ground almonds, honey, butter, flour and dates). Coops enclosed live chickens and a duck named Sinbad. There was also a pet monkey named Safi. With Heyerdahl sailed an oddly assorted crew of six: a Russian doctor, an Italian mountain climber, a Mexican anthropologist, an Egyptian judo champion, and Abdullah, a desert dweller from Chad who did not even know the sea was salt. The only real sailor on board was a New York building contractor named Norman Baker, an old Navyman.

**Total Recall.** Heyerdahl takes an awfully long time putting out to sea. But once he gets launched, his account of the *Ra* voyage is persuasively faithful to the cresting good cheer and alternately sinking heart of all travelers in the tradition of Odysseus. On one page he can call his ship a golden paper swan, and on another, a floating haystack. Steering oars snapped with annoying regularity, and two days out a squall cracked the yard, carrying the 26-ft.-high wine-colored sail with a rusted sun painted on it: the symbol of *Ra*. When the whole structure of papyrus and ropes expanded and contracted, it sounded, Heyerdahl confessed, like 100,000 copies of the Sunday New York Times being torn to shreds.

Lost in total recall—and occasionally in travelogue prose—Heyerdahl may not always do justice to his own toughness, but the facts do. After two months, over 3,000 miles, and batterings by waves up to 35 ft., the *Ra* had to be aban-

doned. Next spring Heyerdahl was back on course with *Ra II*. The repeat voyage he compresses into a single chapter. This time, after 57 days and 3,270 nautical miles, Barbados was sighted. Heyerdahl does not expect the *Ra* voyage to alter anthropologic theories any more than the *Kon-Tiki* voyage did. What did he prove? Really nothing, except that an Egyptian seagoing basket could have crossed the Atlantic, and that there are men willing to risk their lives to prove it.

■ Melvin Maddocks

### A Diamond in the Fluff

WILLY REMEMBERS by Irvin Faust, 249 pages. Arbor House. \$6.95.

Anyone who has read Irvin Faust's short stories and novels knows how this former high school guidance counselor tenderizes human defect and deficiency. Faust's best characters, the Puerto Rican janitor in *Roar Lion Roar*, the questing professor in *The Steagle*, the transistor-radio addict in *Phileo Baby*, are consumed by a world of mass-produced trivia and popular mythology. They generate authentic obsessions about the inauthentic.

The things that go through the head of Willy T. Kleinbans, a 93-year-old Spanish-American War veteran, are typically Faustian. From the limbo of an old soldiers' home, Willy recalls a confusion of dates, events, cultural artifacts and personal history. It is as if the roll of film in a home movie had been doubly and triply exposed. Willy is not unlike an Uncle Sam suffering from advanced arterial sclerosis—a symbol of a nation that sometimes seems to have gone from a vigorous, righteous innocence to a heffuddled old age in less than 100 years.

What Willy remembers is loosely bracketed in time by Teddy Roosevelt's "Bully!" and the Viet Nam War protesters' "Hell, no, we won't go!"

It is a change that is gentled by an overwhelming nostalgia for the Spanish-American War. When he is not talking about his wife Helga, his successful milk business, or how he spent Dec. 7, 1941, arranging an abortion for his son's girl friend, he keeps drifting back to the days when he and his "bunkies" whipped the "Dago" in Cuba. But not before he overcame his cowardice in a ribald send-up of Stephen Crane's *The Red Badge of Courage*. It is a ripe addition to the sanitized exuberance dished out by T.R. in *The Rough Riders*.

World War II was more remote and not as much fun. Willy's eldest son was killed in it. The strudel of his father's eye, he was a lad with an infallible business instinct for knowing just when to switch from regular to homogenized milk. By contrast, the surviving son, Frank Joseph Kleinbans, is an inept dreamer who goes through life keeping his amateur standing.

Frank lives for pole vaulting. He holds

a B.S. in the sport from Regensburg (Ohio) College, having just passed with a leap of 10 ft. His ambition in life is to clear the bar at 12 ft. After World War II, during which he managed 10 ft. 6 in. outside a castle in Germany, Frank becomes a balding fixture at all the local meets back home. Competing with a bamboo pole years after everyone else has switched to fiber glass, he achieves his goal at age 45. But the pole snaps and Frank is skewered to death on its splinters.

Author Faust has always been a fast man with an Apocalypse. But here he is so fast and gratuitous that it seems as if he had loosed havoc upon his creations in order to cover up the compassion and sentiment that went into their making. On a purely technical level, F.J.K.'s sudden gory end solves another problem: ending a fine short story that threatens to outshine an amusing but amorphous novel.

■ R.Z. Sheppard

## A Regiment of Blunderers

FROM THE JAWS OF VICTORY by Charles Fair. 445 pages. Simon & Schuster. \$8.95.

Almost anyone can write with a certain flair about battlefield heroes. Charles Fair, author of this delightfully eccentric volume, has chosen instead to commemorate the battlefield villain, the truly bad general who invariably manages to snatch defeat from the jaws of victory.

With more than 2,000 years of military stupidity to choose from, Fair, a Boston writer and amateur historian, has marshaled an impressive regiment of brilliant blunderers and incompetents. There is, for a start, Russia's General Boris Sheremetev, who panicked when he was attacked by Charles XII of Sweden in the battle of Narva (1700). Sheremetev made a dash to safety with his entourage across the Narva River; in consequence, more than 1,000 of his leaderless troopers were swept over a waterfall and drowned.

Not far behind is France's Emmanuel Félix de Wimpffen, who briefly led Napoleon III's army during the Franco-Prussian War and deserves special mention for his ingenious plan to break through the Prussian lines. Wimpffen's scheme placed France's combat forces on one side of the enemy and their supply lines on the other, at the same time leaving Paris completely unprotected. "Under the circumstances," writes Fair, "it was perhaps the only plan which, even if successful, would have failed."

World War I puts the "connoisseur of bad generalship," as Fair styles himself, to the same exquisite torture an oenophile might face in the cellars of the Tour d'Argent. There were so many foolish commanders that it is hard to pick only one or two for special commendation. Sir Douglas Haig, however, can at least be called representative. The battle of Loos



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**GTE SYLVANIA**

(September 1915) was typical of his style. He began the engagement with a gas attack that hurt the British more than the Germans. Next morning he mounted a massed assault by nearly 10,000 troops against the entrenched foe, not bothering to protect his men with a smoke cover or more than a desultory artillery barrage. The British lost 8,246 men; the Germans not a one. After a number of equally bloody encounters, Haig was promoted to head all British ground forces on the Western front.

**Aggressive Imbecility.** The American Civil War provides only slightly less rewarding material for Fair's connoisseurship. His favorite bumbler seems to be one of the Union's least renowned commanders, General Ambrose Burnside. As Fair tells it, Burnside was so bad that he won at least one small victory—at New Bern, N.C., in 1862—simply because the Confederates were taken by surprise by his aggressive imbecility in storming well-protected defenses. On other occasions he was less lucky. At the battle of Antietam, for example, he spent hours trying to take a bridge to cross a shallow creek that his men could easily have waded. Burnside's delay cost the Union a victory that might have changed the course of the war. True to form in such matters, Burnside was subsequently promoted to head the Army of the Potomac.\*

Fair's final, bitter chapter is devoted to the military mistakes of Viet Nam—which are too recent to be judged fully right now. But his conclusion is at least worth thinking about. The world may need bad generals much more than it needs good ones, he argues. Good generals, after all, can make the battlefield seem glamorous. It is the butchers and blunderers who show just how hideously futile war really is.

■ Gerald Clarke

## Caroline Meeber, *C'est Moi*

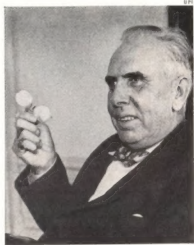
HOMAGE TO THEODORE DREISER by Robert Penn Warren. 173 pages. Random House. \$5.95.

Theodore Dreiser was born in Terre Haute, Indiana, one hundred years ago. It would not seem like one of the more prominent centennials. With the exception of *An American Tragedy* and *Sister Carrie*, his door-stopper novels are largely forgotten.

Under the circumstances, Robert Penn Warren's essay comes as a surprise. It is not an attempt to "rehabilitate" Dreiser, but a wise and rather grandly plain utterance by a compassionate critic who has evidently had Dreiser on the back of his mind for many years. Besides, the two men have something in common. Though Warren is a scholar and a fine poet, and Dreiser

was far from being either, Warren's novels are easily as unfashionable as Dreiser's, and they are not as good. He thus comes to his subject with a veteran aspirant's affectionate respect—rather like Mailer writing on Floyd Patterson.

Not that Warren whitewashes or minces words. Dreiser never got any education, moral or intellectual, to speak of. He was one of ten children of a luckless, feckless father and a mother whom he once described as "beyond or behind good or evil." Arriving as a young man in the booming, brutal Chicago of the 1890s, he fell in love with the city and became a reporter, though Warren notes that "he was barely literate and a born liar." He began his first novel, *Sister Carrie*, on a dare, by writing the name on the top of a blank page and pro-



THEODORE DREISER (1931)  
And a liar to boot.

ceeding without design to fill 500 more about an amorphous, ambitious country girl called Caroline Meeber. Dreiser described Carrie as a "little soldier of fortune," and as Warren dryly observes, "Caroline Meeber, *c'est moi*."

**Teddy Bears.** Though Dreiser later ranged intermittently at robber barons, "his artistic ambition was painfully intermingled with his ambition for money and fine clothes; he often saw his work as a mere instrument to satisfy his grosser aspirations." He would stop at nothing. In one opulent period at Butterick's magazines—which sold dress patterns the way *Michelin Guides* sell tires—he waged a campaign against Teddy bears because they did not require dolls' clothing.

Though other American writers, like Herman Melville and Mark Twain, had been born poor, Dreiser was perhaps the first total outsider, one who did not feel he had inherited either a culture or its caveats. When he entered the new, rapacious urban world, what he saw was not the collapse of a genteel tradition but the "tall walls" that he and

countless immigrants' sons would try to scale. What shocked people about *Sister Carrie* was not her loose morals but Dreiser's indifference to them, "the implication that vice and virtue might be mere accidents."

His trilogy (*The Financier*, *The Titan*, *The Stoic*) is based on the roller-coaster career of the glamorous financial manipulator, Charles Tyson Yerkes. As Warren reluctantly notes, the books are "crudely written and dramatically unrealized." But he goes on to chide himself for perhaps judging them by irrelevant standards. Like Frank Norris (*McTeague*), Dreiser was determined to present an untouched picture of the materialistic, socially fluid America they both knew.

In Greenwich Village during World War I, Dreiser immersed himself in Marxism and psychoanalysis, both of which found their way into his best work, *An American Tragedy*. Understandably, his intellectual friends considered him a child. They were perplexed by "a man who automatically absorbed ideas into his bloodstream, not concerned with consistency but with how an idea 'felt.'"

In the end, Warren finds that what Dreiser arouses in him is not admiration for the books as much as a peculiar "commitment" to the author. In one of three poems that begin the book, Warren does his best to make precise an elusive creative debt:

*He will enter upon his reality: but enters only in-*

*To your gut, or your head or your heart, to enhouse there and stay, And in that hot darkness lie lolling and swell—like a tumor, perhaps benign.*

*May I present Mr. Dreiser? He will write a great novel, someday.*

■ Martha Duffy

## Best Sellers

### FICTION

1. *The Exorcist*, Blatty (1 last week)
2. *The Other*, Tryon (2)
3. *The Drifters*, Michener (3)
4. *The New Centurions*, Wambaugh (6)
5. *The Bell Jar*, Plath (7)
6. *QB VII*, Uris (4)
7. *The Possessions of the Mind*, Stone (5)
8. *The Shadow of the Lynx*, Holt (8)
9. *On Instructions of My Government*, Salinger (10)
10. *Penmarric*, Howatch (9)

### NONFICTION

1. *Bury My Heart at Wounded Knee*, Brown (1)
2. *The Female Eunuch*, Greer (2)
3. *The Sensuous Man*, "M" (3)
4. *The Gift Horse*, Knief (6)
5. *America, Inc.*, Mintz and Cohen (5)
6. *Boss: Richard J. Daley of Chicago*, Royko (4)
7. *Capone*, Kobler (7)
8. *The Living Well Is the Best Revenge*, Tompkins (8)
9. *Madame*, O'Higgins (9)
10. *The Memoirs of Chief Red Fox* (10)

\* He is also known as the originator of long side whiskers, or "sideburns."





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